SUBSIDIARIES AUDITED FINANCIAL STATEMENT FY 2021-22

Sr. No.	Name of the company
1.	Mahindra World City Developers Limited
2.	Mahindra World City (Jaipur) Limited
3.	Mahindra Integrated Township Limited
4.	Mahindra Residential Developers Limited
5.	Mahindra Bloomdale Developers Limited
6.	Mahindra Homes Private Limited
7.	Mahindra Happinest Developers Limited
8.	Mahindra Industrial Park Chennai Limited
9.	Mahindra Industrial Park Private Limited
10.	Mahindra Infrastructure Developers Limited
11.	Mahindra Water Utilities Limited
12.	Mahindra World City (Maharashtra) Limited
13.	Deep Mangal Developers Private Limited
14.	Knowledge Township Limited
15.	Industrial Township (Maharashtra) Limited
16.	Anthurium Developers Limited
17.	Mooshine Construction Private Limited
18.	Mahindra Knowledge Park Mohali Limited

INDEPENDENT AUDITORS' REPORT

To the Members of

MAHINDRA WORLD CITY DEVELOPERS LIMITED

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Mahindra World City Developers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. (herein after referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, of its loss and total comprehensive loss, its cash flows and its changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Information other than the Standalone Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report and the related annexures, but does not include the Standalone Financial Statements and our Auditors' Report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of management for the Standalone 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the audit of the Standalone Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 the 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 auditors' report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone 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 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, 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 including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.

   (g) In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year and hence provisions of Section 197 of the Companies Act, 2013 are not applicable.

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

      (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. (Refer Note 28 to the Standalone Financial Statements)

      (ii) The Company did not have any long- term contracts which has any material foreseeable losses. The Company did not have any derivative contracts.

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

      (iv) The management of the Company have represented to us respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      (v) The management of the Company is represented to us that, to the best of their knowledge and belief, no funds have been received by the Company or any of such subsidiaries from any person(s) or entity(ies) including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

      (vi) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us nothing has come to our notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

      (vii) The Company has not declared any dividend during the year.

For **B. K. Khare & Co.**
Chartered Accountants
(Firm's Registration Number 105102W)

Aniruddha Joshi
Partner
Membership No. 040852
UDIN: 22040852AHRBLN1873

Place: Mumbai
Date: April 23, 2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of Mahindra World City Developers Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements 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 Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, 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 Standalone Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2022, based on the criteria for internal financial control with reference to Standalone Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852
UDIN: 22040852AHRBLN1873

Place: Chennai
Date: April 23, 2022

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. In respect of its Property, Plant and Equipment:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the property, plant and equipment.

(b) The Property, Plant and Equipment were physically verified during the year by the Management and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) With respect to immoveable properties of land that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the original title deeds / Land Delivery Receipts (LDR's) issued by Government provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.

ii. a) In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the physical verification by way of verification of title deeds are done at reasonable intervals and no material discrepancies were noticed on physical verification.

b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from HDFC Bank Limited on the basis of security of the current assets of the Company excluding Inventories during the year. The Cashflow statements filed by the Company with HDFC Bank Limited on a quarterly basis are in agreement with the unaudited books of account as certified by the management.

iii. According to the information and explanations given to us, the Company has not made any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act with respect to investments made. The Company has not granted any loans or provided any guarantee or security during the year to the parties covered under Sections 185 and 186 of the Act.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, where applicable. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

vi. The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under subsection (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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

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

(b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Goods and Services Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(c) The details of dues of Service Tax which has not been deposited as on March 31, 2022 on account of disputes are given below:

Name of Statue	Nature of Dues	Forum where dispute is pending	Period to which amount relates	Amount Unpaid (Rs. in Lakhs)
Finance Act, 1994	Service Tax	CESTAT	2008-2017	455.23
The Income Tax Act, 1961	Income Tax	Hon'ble High Court of Madras	2016-17	10,100

viii. According to the information and explanations given to us and on the basis of our examination of books and records of the Company, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loans or borrowings from Government and has not issued any debentures.

ix. a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

c) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained.

d) According to the information and explanations given to us and based on the audit procedures performed by us and on an overall examination of the Balance Sheet of the Company, we report that the Company has utilised funds raised on short-term basis aggregating to Rs.250 crores for long-term purposes.

e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

x. a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

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

b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.

xii. According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures, specified under Section 133 of the Act.

xiv. a) In our opinion and according to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

b) We have considered the Internal Audit reports of the Company issued till date for the period under audit.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company, Associate, Joint venture or persons connected with them during the year and hence provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under (xv) of the Order is not applicable to the Company.

xvi. a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause (xvi) of the Order is not applicable to the Company.

b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) and (d) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

Accordingly, the reporting under Clauses 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable to the Company.

xvii. In our opinion and according to the information and explanations given to us, the Company has incurred cash losses of Rs. 1699 lakhs during the current financial year and Rs. 678 lakhs in the immediately preceding financial year

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us, in respect of other than ongoing projects, the Company has no unspent amount that needs to be transferred to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act.

xxi. According to the information and explanations given to us, in respect of ongoing projects, the Company has no unspent amount which needs to be transferred to a special account in compliance with sub-section (6) of Section 135 of the Act.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852
UDIN: 22040852AHRBLN1873

Place: Chennai
Date: April 23, 2022

BALANCE SHEET AS AT 31 MARCH, 2022

(Amounts in INR Lakhs)

Particulars	Note No.	As at 31 March, 2022	As at 31 March, 2021
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	2,642.12	2,907.41
(b) Capital Work in Progress	3	30.00	30.00
(c) Intangible Assets	3	–	–
(d) Financial Assets			
(i) Investments			
(a) Investments in Associate	4	1,300.00	1,300.00
(b) Investments in Joint Venture	4	10,200.00	10,200.00
(ii) Other Financial Assets	5	5.02	5.02
(e) Deferred Tax Asset (Net)	15	1,110.76	257.90
(f) Other Non-Current Assets	6	196.66	122.85
		15,484.56	14,823.18
Current assets			
(a) Inventories	7	27,680.47	27,664.03
(b) Financial Assets			
(i) Trade Receivables	8	403.04	439.52
(ii) Cash and Cash Equivalents	9	1,360.95	198.39
(iii) Other Financial Assets	5	–	–
(c) Other Current Assets	6	3,384.68	3,378.46
		32,829.14	31,680.40
Total Assets		48,313.70	46,503.58
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	2,000.00	2,000.00
(b) Other Equity	11	9,013.17	11,046.01
Total Equity		11,013.17	13,046.01
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12A	–	22,855.02
(ii) Other Financial Liabilities	13	1.64	1.54
(b) Other Liabilities	14	1,279.47	1,338.23
(c) Deferred Tax Liabilities (Net)	15	–	–
(d) Provisions	16	21.30	22.61
Total Non-current liabilities		1,302.41	24,217.40
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12B	33,705.25	7,838.30
(ii) Trade Payables			
total outstanding dues of micro enterprises and small enterprises	17	65.45	14.26
total outstanding dues of creditors other than micro enterprises and small enterprises	17	827.80	795.19
(iii) Other Financial Liabilities	13	793.38	135.53
(b) Other Current Liabilities	14	426.16	396.05
(c) Provisions	16	180.08	60.84
Total Current Liabilities		35,998.12	9,240.17
Total Liabilities		37,300.53	33,457.57
Total Equity and Liabilities		48,313.70	46,503.58
Summary of Significant Accounting Policies	2		

The accompanying notes 1 to 40 are an integral part of the financial statements.

In terms of our Report of even date
for **B.K. Khare & Co.**
Chartered Accountants

Aniruddha Joshi
Partner

Place: Chennai
Date: 23rd April 2022

For and on behalf of the board of directors of
Mahindra World City Developers Limited

A K Nanda
Chairman
(DIN:00010029)

Arvind Subramanian
Director
(DIN: 02551935)

Vimal Agarwal
Chief Executive Officer

Bharathy K
Chief Financial Officer

Antaryami Sahoo
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2022

(Amounts in INR Lakhs)

Particulars	Note No.	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Income			
I. Revenue from operations	18	2,849.98	4,640.38
II. Other Income	19	12.42	55.99
III. Total income (I + II)		2,862.40	4,696.37
Expenses			
(a) Cost of Projects			
Cost of Projects	20	–	626.89
Operation and Maintenance Expenses	21	1,670.15	1,636.19
(b) Employee Benefits Expense	22	379.81	341.02
(c) Depreciation/Amortisation Expense	3	332.94	338.04
(d) Finance Costs	23	2,711.98	2,007.65
(e) Other Expenses	24	652.09	582.31
IV. Total Expenses		5,746.97	5,532.10
V. Loss before tax (III) - (IV)		(2,884.57)	(835.73)
Tax expenses/(Credit)			
Current tax	15	–	–
Deferred tax	15	(852.54)	(185.26)
Tax relating to earlier years- Current Tax	28	–	2,204.85
Tax relating to earlier years -Deferred Tax		–	(1,838.50)
VI. Total tax expense/(Credit)		(852.54)	181.09
VII. Loss for the year after tax (V- VI)		(2,032.03)	(1,016.82)
Other Comprehensive Income/(Loss)			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of the defined benefit plans		(1.14)	7.60
(b) Income tax relating to Items that will not be reclassified to profit or loss		(0.33)	2.21
VIII. Other Comprehensive Income/(loss) for the year		(0.81)	5.39
Total Comprehensive Loss for the year (VII + VIII)		(2,032.84)	(1,011.43)
Earnings per equity share (face value of Rs.10/- each)	27		
Basic & Diluted earnings per share (Rs.)		(10.16)	(5.08)
Summary of Significant Accounting Policies	2		

The accompanying notes 1 to 40 are an integral part of the financial statements.

In terms of our Report of even date
for **B.K. Khare & Co.**
Chartered Accountants

Aniruddha Joshi
Partner

Place: Chennai
Date: 23rd April 2022

For and on behalf of the board of directors of
Mahindra World City Developers Limited

A K Nanda
Chairman
(DIN:00010029)

Arvind Subramanian
Director
(DIN: 02551935)

Vimal Agarwal
Chief Executive Officer

Bharathy K
Chief Financial Officer

Antaryami Sahoo
Company Secretary

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2022

(Amounts in INR Lakhs)

Particulars	For the period ended 31 March, 2022	For the year ended 31 March, 2021
Cash flow from operating activities		
Loss before tax for the year	**(2,884.57)**	(835.73)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	**332.94**	338.04
Liabilities no longer required written back	**–**	(41.25)
Finance Costs	**2,711.98**	2,007.65
Interest Income	**–**	(0.58)
Provision towards expected credit losses	**94.77**	48.68
Operating Profit before working capital changes	**255.12**	1,516.81
Working Capital changes:		
(Increase)/Decrease in Inventories	**(16.40)**	624.63
(Increase)/Decrease in Trade Receivables	**(58.29)**	110.71
Decrease in Financial Assets	**–**	0.20
Increase in Other Assets	**(80.04)**	(28.61)
Increase in Trade payables	**83.78**	20.64
Increase in Financial Liabilities	**538.99**	10.40
Decrease in Other Liabilities	**(28.65)**	(172.37)
(Decrease)/Increase in Provisions	**10.56**	(5.00)
Cash generated from operations	**705.07**	2,077.41
Direct taxes paid (net of refunds)	**106.23**	(56.26)
Net cash generated from operating activities (A)	**811.30**	2,021.15
Cash flows from investing activities		
Purchase of property, plant and equipment (PPE)	**(67.65)**	(20.70)
Increase in Bank Deposits not considered Cash and Cash Equivalents	**–**	(0.49)
Interest received	**–**	0.58
Net cash used in investing activities (B)	**(67.65)**	(20.61)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2022 (Cont'd)

(Amounts in INR Lakhs)

Particulars	For the period ended 31 March, 2022	For the year ended 31 March, 2021
Cash flows from Financing activities		
Proceeds of short term borrowings from related party	**30,940.00**	2,200.00
Repayment of short term borrowings from related party	**(4,200.00)**	–
Proceeds from long term borrowings	**4,900.00**	–
Repayment of long term borrowings	**(27,775.94)**	(1,385.08)
Interest Paid	**(2,572.10)**	(2,609.72)
Net cash generated from/(used in) Financing activities (C)	**1,291.96**	(1,794.80)
Net increase in cash and cash equivalents (A + B + C)	**2,035.61**	205.74
Cash and cash equivalents at the beginning of the year	**(3,439.91)**	(3,645.65)
Cash and cash equivalents at the end of the year (Refer Note 9)	**(1,404.30)**	(3,439.91)

Summary of Significant Accounting Policies 2

The accompanying notes 1 to 40 are an integral part of the financial statements.

Change in Liabilities arising from financing activities

Particulars	As at 01st April, 2021	Cash Flow	Other Adjustments	As at 31st March, 2022
Non Current Borrowings (Refer Note 12A)	22,855.02	(22,875.94)	20.92	–
Currrent Borrowings (Refer Note 12B)	4,200.00	30,940.00	–	35,140.00
Total	**27,055.02**	**8,064.06**	**20.92**	**35,140.00**

The above Cash Flow Statement has been prepared under the "indirect method" as set out in 'Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows'.

Summary of Significant Accounting Policies 2

The accompanying notes 1 to 40 are an integral part of the financial statements.

In terms of our Report of even date
for **B.K. Khare & Co.**
Chartered Accountants

Aniruddha Joshi
Partner

Place: Chennai
Date: 23rd April 2022

For and on behalf of the board of directors of
Mahindra World City Developers Limited

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Chief Financial Officer

Antaryami Sahoo
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2022

A. Equity Share Capital

Particulars	No. of Shares	Amount in Lakhs
Equity Shares of Rs. 10 each issued, subscribed and fully paid		
As at 1 April, 2020	20,000,000	2,000.00
Changes in share capital	–	–
As At 31 March, 2021	20,000,000	2,000.00
Changes in share capital	–	–
As At 31 March, 2022	**20,000,000**	**2,000.00**

B. Other Equity

(Amounts in INR Lakhs)

Particulars	Other Equity			Total
	General Reserve (Note 11)	Capital Redemption Reserve (Note 11)	Retained earnings (Note 11)	
As at 1 April, 2020	345.00	6,500.00	5,212.44	12,057.44
Loss for the year	–	–	(1,016.82)	(1,016.82)
Other Comprehensive Loss* (Net of tax)	–	–	5.39	5.39
As at 31 March, 2021	345.00	6,500.00	4,201.01	11,046.01
Loss for the year	–	–	(2,032.03)	(2,032.03)
Other Comprehensive Income* (Net of tax)	–	–	(0.81)	(0.81)
As At 31 March, 2022	**345.00**	**6,500.00**	**2,168.17**	**9,013.17**

* Remeasurement gains/(losses) net of taxes on defined benefit plans during the year is recognised as part of retained earnings

The accompanying notes 1 to 40 are an integral part of the financial statements.

In terms of our Report of even date
for **B.K. Khare & Co.**
Chartered Accountants

Aniruddha Joshi
Partner

Place: Chennai
Date: 23rd April 2022

For and on behalf of the board of directors of
Mahindra World City Developers Limited

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Company Secretary

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

1. General Information

Mahindra World City Developers Limited ("the Company") was incorporated on February 19, 1997. The Company is in the business of land development for industrial, commercial and residential use. The Company acquires land and incurs expenditure on its development and related infrastructure facilities for lease / sale. The Company also maintains the Industrial Park for which it collects operation and maintenance charges from the lessees. The Company has developed and operates an integrated business city "Mahindra World City" at Chengalpattu taluk near Chennai.

Promoted in a Public Private Partnership by the Mahindra Group and Tamilnadu Industrial Development Corporation Limited (A Government of Tamil Nadu Undertaking), Mahindra World City surpasses the conventional definition of a business space - it is a business eco-system, carefully linked and integrated to function with efficiency. Mahindra World City, Chennai is India's first integrated City and Corporate India's first operational SEZ.

Etching its name on India's business map, Mahindra World City Chennai, has attracted corporate giants such as BMW, B.Braun, Capgemini, Holiday Inn Express, Infosys, BASF, Lincoln Electric, Parker Hannifin, Renault-Nissan, Tesa SE, Federal Mogul, Fujitec, NTN Corporation, Timken, TVS Group of Companies and Wipro among others.

The Registered office of the company is located at Ground Floor, Mahindra Towers, 17/18, Patulous Road, Chennai, Tamil Nadu -600 002.

2. Significant Accounting Policies

2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

2.2 Basis of Measurement

2.2.1 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2.2 Exemption from preparation of consolidated financial statements

The Company has investments in an Associate and a Joint venture. The Holding company, Mahindra Lifespaces Developers Limited, having its registered office at 5th floor, Mahindra Towers, Worli, Mumbai 400 018 are presenting the consolidated financial statements. The Company has therefore availed the exemption under paragraph 4(a) of Ind AS 110 having satisfied the conditions for exemption from preparing consolidated financial statements as per Companies (Accounts) Amendments Rules, 2016 and thereby does not present consolidated financial statements.

Consequently, the accounting policies mentioned herein relate to the standalone financial statements of the Company.

2.2.3 Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

2.2.4 Current versus non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Based on the nature of activity carried out by the company and the period between the procurement and realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 1 year for the purpose of Current – Non Current classification of assets & liabilities.

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

An asset is treated as current when it is:

— Expected to be realised or intended to be sold or consumed in normal operating cycle

— Held primarily for the purpose of trading

— Expected to be realised within twelve months after the reporting period, or

— Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

— It is expected to be settled in normal operating cycle

— It is held primarily for the purpose of trading

— It is due to be settled within twelve months after the reporting period, or

— There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Borrowings are classified as current if they are due to be settled within 12 months after the reporting period.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

2.3.1 Land Lease Premium

Land lease premium is recognized as income upon creation of leasehold rights in favour of the lessee or upon an agreement to create leasehold rights with handing over of possession.

2.3.2 Sale of land

Revenue from Sale of land and other rights is generally a single performance obligation and the Company has determined that

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

this is satisfied at the point in time when control transfers as per the terms of the contract entered into with the buyers, which generally are with the firmity of the sale contracts / agreements.

2.3.3 Project Management fee

Project Management Fees receivable on fixed period contracts is accounted over the tenure of the contract / agreement. Where the fee is linked to the input costs, revenue is recognised as a proportion of the work completed based on progress claims submitted. Where the management fee is linked to the revenue generation from the project, revenue is recognised on the percentage of completion basis. .

2.3.4 Income from Operation and Maintenance (O&M)

Income from operation and maintenance charges and water charges are recognized on an accrual basis as per terms of the agreement with the lessees.

2.3.5 Dividend and interest income

Dividend income from investments from Joint ventures and Associates is recognised when the unit holder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

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

2.4 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

2.4.1 The Company as a Lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

2.4.2 The Company as a Lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. The assets given by the Company on operating leases are capitalised in the books as fixed assets. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

2.5 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.5.1 Current tax

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

2.5.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

2.5.3 Current and deferred tax for the year

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

2.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

2.7 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Furniture and Fixtures and Office equipments are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

Depreciation on tangible fixed assets has been provided on pro-rata basis, on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 .

2.8 Impairment of tangible and intangible asset other than Goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash generating unit, as the case may be, is estimated and the impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of profit and loss.

2.9 Inventories

Inventories are stated at the lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Work in progress includes cost of land and all expenditure incurred in connection with, or attributable to the project, and, being a long-term project, includes interest.

2.10 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.11 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.12 Provisions, contingent liabilities and contingent assets

2.12.1 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.12.2 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.12.3 Contingent liabilities

Contingent liability is disclosed in case of:

a. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

b. a present obligation arising from past events, when no reliable estimate is possible.

2.12.4 Contingent assets

Contingent assets are disclosed where an inflow of economic benefits is probable.

2.13 Financial instruments

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

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

2.14 Foreign currency transactions and translations

Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Monetary assets / liabilities are translated at exchange rates prevailing on the date of settlement or at the year-end as applicable, and gain / loss arising out of such translation is adjusted to the statement of profit and loss ..

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

2.15.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in statement of profit and loss for Financial assets at fair value through other comprehensive income (FVTOCI) debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to statement of profit and loss.

All other financial assets are subsequently measured at fair value.

The Management assessed that fair value of cash and short-term deposits, trade receivables, other current assets, trade payables, book overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

2.15.2 The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair-value of the financial-instruments factor the uncertainties arising out of COVID-19, where applicable.

2.15.3 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at financial assets at fair value through profit or loss ("FVTPL"). Interest income is recognised in statement of profit and loss and is included in the "Other income" line item.

2.15.4 Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right Offsetting Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously. to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.15.5 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension,

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

In addition, the Company has also considered credit reports and other credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19. The Company believes that the carrying amount of allowance for expected credit loss with respect to trade receivables, unbilled revenue and other financial assets is adequate.

2.15.6 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit and loss if such gain or loss would have otherwise been recognised in statement of profit and loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in statement of profit and loss if such gain or loss would have otherwise been recognised in statement of profit and loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.15.7 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency, denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.16 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.16.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.1.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.16.1.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.1.3 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit and loss.

2.17 Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

2.18 Earnings per Share

Basic / Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

2.19 Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.20 Goods and Services tax input credit

Goods and Services tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

2.21 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 1, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

and based on the current estimates, the Company expects to fully recover the carrying amount of trade receivables including unbilled receivables, goodwill, intangible assets and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements based on estimates and assumptions, which have the significant effect on the amounts recognised in the standalone financial statements.

Taxes

Deferred tax assets are recognised for temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after considering inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the standalone financial statements.

3. Property, Plant and Equipment

(Amounts in INR Lakhs)

Description of Assets	Land - Freehold	Buildings - (Own use)	Plant and Equipments	Office equipments	Furniture and fixtures	Vehicles	Computers	Total
I. Gross Carrying Amount								
Balance as at 1 April, 2020	195.05	2,746.78	2,494.71	148.66	531.98	14.03	58.90	6,190.11
Additions	–	–	9.47	4.60	0.96	–	2.67	17.70
Disposals	–	–	–	–	–	–	–	–
Balance as at 31 March, 2021	**195.05**	**2,746.78**	**2,504.18**	**153.26**	**532.94**	**14.03**	**61.57**	**6,207.81**
II. Accumulated depreciation								
Balance as at 1 April, 2020	–	820.01	1,643.38	122.69	308.99	14.03	53.26	2,962.36
Depreciation expense for the year	–	73.61	178.12	20.26	62.90	–	3.15	338.04
Eliminated on disposal of assets	–	–	–	–	–	–	–	–
Balance as at 31 March, 2021	**–**	**893.62**	**1,821.50**	**142.95**	**371.89**	**14.03**	**56.41**	**3,300.40**
III. Net carrying amount (I-II)								
Balance as at 31 March, 2021	**195.05**	**1,853.16**	**682.68**	**10.31**	**161.05**	**–**	**5.16**	**2,907.41**
Balance as at 31 March, 2020	**195.05**	**1,926.77**	**851.33**	**25.97**	**222.99**	**–**	**5.64**	**3,227.75**
I. Gross Carrying Amount								
Balance as at 1 April, 2021	195.05	2,746.78	2,504.18	153.26	532.94	14.03	61.57	6,207.81
Additions	–	–	36.14	23.38	0.93	–	7.22	67.67
Disposals	–	–	–	(5.71)	–	–	(17.21)	(22.92)
Balance as at 31 March, 2022	**195.05**	**2,746.78**	**2,540.32**	**170.93**	**533.87**	**14.03**	**51.58**	**6,252.56**
II. Accumulated depreciation								
Balance as at 1 April, 2021	–	893.62	1,821.50	142.95	371.89	14.03	56.41	3,300.40
Depreciation expense for the year	–	67.85	178.34	20.80	62.72	–	3.25	332.96
Eliminated on disposal of assets	–	–	–	(5.71)	–	–	(17.21)	(22.92)
Balance as at 31 March, 2022	**–**	**961.47**	**1,999.84**	**158.04**	**434.61**	**14.03**	**42.45**	**3,610.44**
III. Net carrying amount (I-II)								
Balance as at 31 March, 2022	**195.05**	**1,785.31**	**540.48**	**12.89**	**99.26**	**–**	**9.13**	**2,642.12**
Balance as at 31 March, 2021	**195.05**	**1,853.16**	**682.68**	**10.31**	**161.05**	**–**	**5.16**	**2,907.41**

No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Intangible Assets

(Amounts in INR Lakhs)

Description of Assets	Computer Software	Total
I. Gross Carrying Amount		
Balance as at 1 April, 2021	59.16	59.16
Additions	–	–
Disposals	–	–
Balance as at 31 March, 2022	**59.16**	**59.16**
II. Accumulated amortisation		
Balance as at 1 April, 2021	59.16	59.16
Amortisation expense for the year	–	–
Eliminated on disposal of assets	–	–
Balance as at 31 March, 2022	**59.16**	**59.16**
III. Net carrying amount (I-II)		
Balance as at 31 March, 2022	–	–
Balance as at 31 March, 2021	–	–

(Amounts in INR Lakhs)

Description of Assets	Computer Software	Total
I. Gross Carrying Amount		
Balance as at 1 April, 2021	59.16	59.16
Additions	–	–
Disposals	–	–
Balance as at 31 March, 2022	**59.16**	**59.16**
II. Accumulated amortisation		
Balance as at 1 April, 2021	59.16	59.16
Amortisation expense for the year	–	–
Eliminated on disposal of assets	–	–
Balance as at 31 March, 2022	**59.16**	**59.16**
III. Net carrying amount (I-II)		
Balance as at 31 March, 2022	–	–
Balance as at 31 March, 2021	–	–

Refer note 2 for Company's policy on recognition and measurement of Property Plant, Equipment, Intangible and Depreciation/amortisation methods used.

3.1 Movement of Capital Work in Progress

(Amounts in INR Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Opening Balance	**30.00**	27.00
Additions	–	3.00
Subtotal	**30.00**	30.00
Capitalised during the year	–	–
Closing Balance	**30.00**	30.00

3.2 Capital Work-in-Progress

Grey Water Network

Description of Assets	As at March 31, 2022	As at March 31, 2021
Capital Work-in-Progress	**30.00**	30.00
Grey Water Network		
Less than 1 year		30.00
1-2 years	30.00	
2-3 years		
More than 3 years		
Total	**30.00**	30.00

4. Investments

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Cost		
Unquoted Investments (all fully paid)		
Investments in Associate	**1,300.00**	1,300.00
Mahindra Integrated Township Limited		
1,30,00,000 Shares @ INR 10 Per Share		
Investments in Joint Venture	**10,200.00**	10,200.00
Mahindra Industrial Park chennai Limited		
10,20,00,000 Shares @ INR 10 Per Share		
Total Unquoted Investments at Cost	**11,500.00**	11,500.00

5. Other Financial Assets

(Amounts in INR Lakhs)

Particulars	As at 31 March, 2022 Non-current	As at 31 March, 2022 Current	As at 31 March, 2021 Non-current	As at 31 March, 2021 Current
Advances, Considered good				
Advances for purchase of land - unsecured	–	–	–	–
Advances, Considered doubtful				
Advances for purchase of land - unsecured	–	**34.05**	–	34.05
Less: Provision for advances considered doubtful	–	**(34.05)**	–	(34.05)
Unsecured, considered good unless stated otherwise				
Fixed deposits under lien	**5.02**	–	5.02	–
Recoverable Expense	–	–	–	–
Total Other assets	**5.02**	–	5.02	–

5a Movement in the allowance for credit loss

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance at beginning of the year	34.05	17.00
Addition during the year	–	17.05
Balance at end of the year	34.05	34.05

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

6. Other Assets

(Amounts in INR Lakhs)

Particulars	As at 31 March, 2022 Non-current	As at 31 March, 2022 Current	As at 31 March, 2021 Non-current	As at 31 March, 2021 Current
Advances				
Advances to employees	–	**0.20**	–	0.20
Advances for purchase of land - secured***	–	**3,347.04**	–	3,347.04
Advances for purchase of land - unsecured	–	–	–	–
Advances to suppliers Unsecured considered good	–	**6.51**	–	6.12
	–	**3,353.75**	–	3,353.36
Others				
Security Deposits	**67.52**	**3.50**	67.33	3.50
Prepaid Expenses	**16.28**	**27.43**	17.54	21.60
Balances with statutory / government authorities (Other than Income tax)**	**112.87**	–	37.98	–
	196.66	**30.93**	122.85	25.10
Total Other Assets	**196.66**	**3,384.68**	122.85	3,378.46

** Balance with Government authorities as at 31st March 2022 represents payment of 37.98 lakhs made under protest against service tax demands.

*** Advance for purchase of Land is secured by equitable Mortgage by deposit of title deeds of 39.19 acres of land at Varadarajapuram, Kancheepuram Dist. Tamilnadu.

7. Inventories

(Amounts in INR Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Work in progress (representing cost of land and related expenditure)	**27,637.50**	27,637.50
Inventory	**42.97**	26.53
Total Inventories	**27,680.47**	27,664.03

(i) The Cost of inventories recognised as expenses during the year in respect of continuing operations is NIL (2020-21 was INR 626.89 Lakhs).

(ii) The Carrying amount of inventories pledged as security for liabilities - Refer note 12 A Non Current Borrowings.

(iii) Mode of Valuation of Inventories is Cost or Net Realisable Value whichever is lower.

(iv) Borrowing costs inventorised relates to interest on borrowings referred in Notes 12A considered in the ratio of land inventories pending to be developed to the total inventories.

(v) Based on detailed assessment and evaluation of impact of the COVID-19 epidemic, the management concluded that the realiseable value of these inventories will not be lower than the carrying value as stated above.

8. Trade Receivables

(Amounts in INR Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Trade Receivables:		
Unsecured Considered Good	**403.04**	439.52
Receivables with significant credit risk	**180.65**	85.88
Less: Provision for expected credit losses	**(180.65)**	(85.88)
Total Trade Receivables	**403.04**	439.52

Trade receivables are non-interest bearing and the average credit period on service rendered is as per the terms of the service agreement with clients. Credit period allowed to customers varies between 7 days to 30 days.

Refer Note No.31 for Credit Risk Management on Receivables.

8(a) Ageing for trade receivables from the due date of payment for each of the category is as follows:

(Amounts in INR Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Undisputed Trade Receivable - Considered good - unsecured		
Not Due		
0 months - 6 months	**293.04**	321.31
6 months -1 year	**42.46**	64.75
1-2 Years	**28.49**	23.01
2-3 years	**4.25**	9.96
More than 3 years	**34.80**	20.49
Trade Receivable - Credit impaired		
Not Due	–	–
0 months - 6 months	–	–
6 months -1 year	–	–
1-2 Years	–	–
2-3 years	–	–
More than 3 years	–	–
Total	**403.04**	439.52

8(b) Movement in the allowance for credit loss

(Amounts in INR Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance at beginning of the year	**85.88**	54.25
Additions/reversals during the year	**94.77**	31.63
Balance at end of the year	**180.65**	85.88

9. Cash and Cash Equivalents

(Amounts in INR Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Cash and cash equivalents		
Balances with banks:		
– On current accounts	**60.84**	181.14
– Cheques on hand	–	17.25
Cash on hand	**0.11**	–
Fixed Depoits- Short Term	**1,300.00**	
Total Cash and cash equivalents	**1,360.95**	198.39

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Reconciliation of Cash and Cash Equivalents

Particulars	As at 31 March, 2022	As at 31 March, 2021
Total Cash and Cash Equivalents as per Balance Sheet	**1,360.95**	198.39
Overdraft with Banks (Note 12B)	**(2,765.25)**	(3,638.30)
Total Cash and Cash Equivalents as per Statement of Cashflow	**(1,404.30)**	(3,439.91)

10. Equity

(Amounts in INR Lakhs)

Particulars	As at 31 March, 2022	As at 31 March. 2021
Authorized shares		
2,50,00,000 Ordinary Equity Shares of Rs.10 each with Voting rights	**2,500.00**	2,500.00
50,00,000 Unclassified Shares of Rs.10 each with Voting rights	**500.00**	500.00
65,00,000 Cumulative Redeemable preference shares of Rs. 100 each	**6,500.00**	6,500.00
	9,500.00	9,500.00
Issued, subscribed and fully paid-up shares		
2,00,00,000 Ordinary Equity Shares of Rs.10 each with Voting rights	**2,000.00**	2,000.00
Total issued, subscribed and fully paid-up share capital	**2,000.00**	2,000.00

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	Opening Balance	Changes during the year	Closing Balance
Ordinary Equity Shares			
Year Ended 31 March, 2021			
No. of Shares	20,000,000	–	20,000,000
Amount	2,000.00	–	2,000.00
Year Ended 31 March, 2022			
No. of Shares	**20,000,000**	–	**20,000,000**
Amount	**2,000.00**	–	**2,000.00**

(a) Terms/ rights attached to equity shares

‘The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of Equity Shares is entitled to one vote per share. Dividends are paid in Indian Rupees. The dividends proposed by the Board of Directors are subject to the approval of the shareholders at the Annual General Meeting. Repayment of capital will be in proportion to the number of equity shares held.

Repayment of capital will be in proportion to the number of equity shares held.

(ii) Details of shareholdings by the Promoter’s of the Company

Class of shares / Name of shareholder	As at 31st March, 2022		As at 31st March, 2021		% change duringthe period
	Number of shares held	% holding	Number of shares held	% holding	
Equity shares with voting rights					
Mahindra Lifespace Developers Limited	**1,77,99,999**	**89.00%**	1,77,99,999	89.00%	0.00%
Tamilnadu Industrial Development Corporation Limited	**22,00,000**	**11.00%**	22,00,000	11.00%	0.00%

(ii) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31 March, 2022		As at 31 March, 2021	
	No.	% holding in the class	No.	% holding in the class
Equity shares with voting rights				
– Mahindra Lifespace Developers Limited	**1,77,99,999**	**89%**	1,77,99,999	89%
– Tamilnadu Industrial Development Corporation Limited	**22,00,000**	**11%**	22,00,000	11%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

11. Other Equity

(Amounts in INR Lakhs)

Particulars	General Reserve	Other Equity Capital Redemption Reserve	Retained earnings	Total
Balance as at 1 April, 2020	345.00	6,500.00	5,212.44	12,057.44
Loss for the year	–	–	(1,016.82)	(1,016.82)
Other Comprehensive Loss (Net of tax)	–	–	5.39	5.39
Balance as at 31 March, 2021	345.00	6,500.00	4,201.01	11,046.01
Loss for the year	–	–	(2,032.03)	(2,032.03)
Other Comprehensive Income (Net of tax)	–	–	(0.81)	(0.81)
Balance as at 31 March, 2022	**345.00**	**6,500.00**	**2,168.17**	**9,013.17**

General Reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. Items included under General Reserve shall not be reclassified back into the Statement of Profit & Loss.

Capital Redemption Reserve: The Capital Redemption Reserve was created against redemption of Preference Shares.

Retained Earnings: This reserve represents cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.

12A. Non current borrowings

Details of Long term Borrowings of the Company:

(Amounts in INR Lakhs)

Description of the instrument	Currency of Loan	Coupon Rate	Repayment Bullet (or) Instalment	Number of Instalments	Date of earliest Redemption (or) Conversion	Amortised cost as at 31 March, 2022	Amortised cost as at 31 March, 2021
Secured Borrowings:							
a) Term Loans							
(i) From Financial Institution							
HDFC Limited - Term Loan I	INR	8.75% to 11%	75% of Sales / lease prooceeds and Instalment	12	Aug-21	–	22,855.02
Total Secured Borrowings						–	22,855.02
Total Non Current Borrowings						–	22,855.02

Term Loan from Financial Institution - Secured Borrowings

The company originally availed Term Loan from HDFC Ltd ; Sanctioned amount INR 32,500.00 Lakhs. The loan carried an interest rate of 8.95%.

The Term loans is secured by equitable Mortgage by deposit of title deeds of 59.098 acres of land at Mahindra World City , Chengalpattu with carrying value of INR 2,593 Lakhs and 236.027 acres of land in NH16 near Ponneri/Gummidipundi with a carrying value of INR 20,166 Lakhs. On 31st March 2022, the company availed ICD from one of its group company Tech Mahindra Ltd for Rs. 250 Crs at 5.5% for 120 days and used for the prepayment of the Term Loan outstanding (Principal amount of Rs. 228.18 Crs. and interest installement of Rs. 8.41 Crs.)

The company has received offer for new term loan from HDFC Ltd on 31st March 2022 and is expected accept the facily to withdraw new term loan within next 3 months.

There are no defaults in case of either interest or principal with respect to payments for the above borrowings.

12.B Current Borrowings (Amortised cost)

Details of Current Borrowings of the Company:

(Amounts in INR Lakhs)

Description of the instrument	Currency of Loan	Coupon Rate	As at 31 March, 2022	As at 31 March, 2021
A. Unsecured Borrowings at amortised cost:				
HDFC Bank Limited - Overdraft of INR 25 Crores- Repayable on Demand	INR	7.90% to 9.50%	**1,199.92**	1,514.50
Tech Mahindra Limited- ICD Loan repayable within 1 year	INR	5.50%	**25,000.00**	–
Mahindra Integrated Township Limited- ICD Loan repayable within 1 year	INR	8.30%	**1,000.00**	–
Mahindra Residential Developers Limited- ICD Loan repayable within 1 year	INR	8.30%	**4,940.00**	4,200.00
Total Unsecured Borrowings			**32,139.92**	5,714.50
B. Secured Borrowings at amortised cost:				
Axis Bank Limted - Overdraft of INR 25 Crores - Repayable on Demand	INR	7.90% to 9.00%	**1,565.33**	2,123.80
Total Secured Borrowings			**1,565.33**	2,123.80
Total Current borrowings			**33,705.25**	7,838.30

Axis Bank Overdraft is secured.

– by First pari passu charge of current assets of the Company excluding inventories.

– by Second/Residual charge on Lands mortgaged to HDFC Limited for Term loan availed. (Refer note no. 12A)

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

13. Other Financial Liabilities at amortised cost

(Amounts in INR Lakhs)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Non-current	**Current**	Non-current	Current
Deposits				
Security deposits received from lessees	**1.64**	**545.40**	1.54	–
	1.64	**545.40**	1.54	–
Others				
Payable on purchase of PPE	–	–	–	5.00
Interest accrued but not due	–	**203.24**	–	84.28
Earnest money deposit	–	**2.50**	–	2.80
Rental / Other deposit from customers	–	**42.24**	–	43.45
	–	**247.98**	–	135.53
Total Other Financial Liabilities	**1.64**	**793.38**	1.54	135.53

14. Other Liabilities

(Amounts in INR Lakhs)

Particulars	As at 31 March, 2022		As at 31 March 2021	
	Non-current	**Current**	Non-current	Current
Advance from customers	–	**277.00**	–	267.00
Statutory dues payable	–	**24.11**	–	22.74
Deferred Income	**825.79**	**119.29**	884.24	101.18
Unearned Income	**453.69**	**5.76**	453.99	5.13
Total Other Liabilities	**1,279.47**	**426.16**	1,338.23	396.05

15. Income Tax

(a) Income Tax recognised in profit or loss

(Amounts in INR Lakhs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Current Tax:		
In respect of current year	–	–
Deferred Tax	**(852.54)**	(185.26)
Tax of earlier years (Net)	–	366.35
Total income tax (credit)/expense on income from operations	**(852.54)**	181.09

(b) Reconciliation of estimated income tax expense at tax rate to income tax expense reported in Statement Profit aand Loss is as follows:

(Amounts in INR Lakhs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Loss before tax	**(2,884.57)**	(835.73)
Income tax expense calculated at statutory rate***	**(840.00)**	(243.00)
Disallowance u/s 14A for expense incurred on investment	–	33.49
Changes based on return of income filed for the year	–	–
Non deductible exepenses under income tax	**1.23**	21.71
Changes in Deferred tax asset/Liability due to Effective rate changes	–	366.35
Others	**(13.77)**	2.54
	(852.54)	181.09
Income tax (credit)/expense recognised in statement of profit and loss	**(852.54)**	181.09

*** The Tax Rate used for 31st March 2022 and 31st March 2021 reconciliations above are the corporate tax rate of 29.12% payable by Corporate Entities in India on taxable profits under Indian Income Tax Act laws.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(c) Movement in deferred tax balances

(Amounts in INR Lakhs)

	For the Year ended 31 March, 2022				
Particulars	**Opening Balance**	**Recognised in Profit or Loss**	**Recognised in OCI**	**Earlier year Adjustments**	**Closing Balance**
Tax effect of items constituting deferred tax Liabilities					
Property, Plant and Equipment	**311.90**	**(48.86)**	–	–	**263.04**
Interest Inventorised	–	–	–	–	–
FVTPL Financials Asset & Liabilties	**18.00**	–	–	–	**18.00**
Total Deferred Tax Liabilities	**329.90**	**(48.86)**	–	–	**281.04**
Tax effect of items constituting deferred tax assets					
Section 43B disallowances	**13.76**	**3.08**	**0.33**	–	**17.17**
Business loss	**294.00**	**713.00**	–	–	**1,007.00**
Unabsorbed depreciation loss	**132.00**	**60.00**	–	–	**192.00**
Provision for doubtful debts	**34.93**	**27.60**	–	–	**62.52**
MAT Credit	**113.11**	–		–	**113.11**
Total Deferred Tax Asset	**587.80**	**803.68**	**0.33**	–	**1,391.80**
Net Deferred Tax Asset	**(257.90)**	**(852.54)**	**(0.33)**	–	**1,110.76**

(Amounts in INR Lakhs)

	For the Year ended 31 March, 2021				
Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in OCI	Earlier year Adjustments	Closing Balance
Tax effect of items constituting deferred tax Liabilities					
Property, Plant and Equipment	**345.87**	**(33.97)**	–	–	**311.90**
Interest Inventorised	**2,305.03**	–	–	**(2,305.03)**	–
FVTPL Financials Asset & Liabilties	**16.18**	**1.82**	–	–	**18.00**
Total Deferred Tax Liabilities	**2,667.08**	**(32.15)**	–	**(2,305.03)**	**329.90**
Tax effect of items constituting deferred tax assets					
Section 43B disallowances	**17.42**	**(1.45)**	**(2.21)**	–	**13.76**
Business loss	**179.00**	**78.39**	–	**36.61**	**294.00**
Unabsorbed depreciation loss	**70.01**	**61.99**	–	–	**132.00**
Provision for doubtful debts	**20.75**	**14.18**	–	–	**34.93**
MAT Credit	**616.25**	–		**(503.14)**	**113.11**
Total Deferred Tax Asset	**903.43**	**153.11**	**(2.21)**	**(466.53)**	**587.80**
Net Deferred Tax Liabilities	**1,763.65**	**(185.26)**	**2.21**	**(1,838.50)**	**257.90**

16. Provisions

(Amounts in INR Lakhs)

Particulars	**As at 31 March, 2022**		As at 31 March 2021	
	Non-current	**Current**	Non-current	Current
Income Tax (Net of Advance Tax Rs INR. 106.76 Lakhs)	–	**142.42**	–	36.19
Employee Benefits (Refer note 29)				
Gratuity	–	**23.94**	–	19.67
Leave Encashment	**21.30**	**13.72**	22.61	4.98
Total Provisions	**21.30**	**180.08**	22.61	60.84

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

17a Trade Payables

(Amounts in INR Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payable - Micro and small enterprises* ..	**65.45**	14.26
Trade payable - Other than micro and small enterprises	**827.80**	795.19
	893.25	809.45

*(i) Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business. Usually, Credit period with vendors varies from 15 days to 30 days.

(ii) Refer Note 34 for Disclosures on Micro and Small Enterprises.

17b Ageing for trade payable from the due date of payment for each of the category is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Undisputed dues of micro enterprises and small enterprises		
Unbilled		
Not Due	**62.17**	10.98
0 months - 1 year	**3.28**	3.28
1-2 Years	–	–
2-3 years	–	–
More than 3 years	–	–
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled		
Not Due	**818.18**	570.57
0 months - 1 year	**6.55**	15.74
1-2 Years	**3.07**	208.88
2-3 years		
More than 3 years		
Total	**893.25**	809.45

18. Revenue from Operations

(Amounts in INR Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Land Lease Premium	–	613.00
Sale of land	–	1,226.01
Rental income	**88.67**	76.40
Operation and maintenance income	**2,392.26**	2,329.87
Club membership fees	**68.19**	67.76
Club Annual subscription fees	**34.06**	43.84
Club Operating Income	**137.26**	50.16
Project Management Fees	**62.04**	54.08
Sales Commission Income	–	125.01
Other Operational Income Transfer Fees	**67.50**	54.25
Total Revenue from Operations	**2,849.98**	4,640.38

19. Other Income

(Amounts in INR Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Other non operating income		
Liabilities no longer required written back	–	41.25
Interest on Bank Fixed deposits	–	0.58
Miscellaneous Income	**12.42**	14.16
Total Other Income	**12.42**	55.99

20. Cost of Projects

(Amounts in INR Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Inventories at the beginning of the year		
Work-in-progress	**27,637.50**	27,573.70
Add: Expenses Incurred during the year		
Land and Construction Costs	–	1.40
Interest Cost	–	689.29
Less: Inventories at the end of the year		
Work-in-progress	**27,637.50**	27,637.50
Total Cost of Projects	**0.00**	626.89

21. Operation & Maintenance Expenses

(Amounts in INR Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Repairs & Maintenance	**295.40**	227.90
Security	**254.42**	298.74
Electrical & Mechanical Maintenance	**466.29**	439.10
Housekeeping	**191.06**	194.28
Power & Fuel	**161.25**	175.83
Landscaping maintenance	**124.64**	122.59
Rates & Taxes	**114.10**	134.78
Bus shuttle	**–**	–
Other Expenses	**62.99**	42.97
Total Operation & Maintenance expenses	**1,670.15**	1,636.19

22. Employee Benefits Expense

(Amounts in INR Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Salaries and wages including bonus*	**350.62**	319.18
Contributions to provident and other funds	**15.95**	16.46
Staff welfare expenses	**13.24**	5.38
Total Employee benefits expense	**379.81**	341.02

* Includes charge for Equity Stock options recovered by Mahindra Lifespaces Developers Limited amounting to Rs. 12.21 Lakhs (Previous Year Rs. 2.54 Lakhs)

23. Finance Costs

(Amounts in INR Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
(a) Interest expense on:		
(i) Term loan	**2,045.85**	2,151.67
(ii) Loan from Related parties	**398.69**	259.60
(iii) Overdraft	**267.33**	284.56
(iv) Other Interest	**0.11**	1.11
Less: Interest inventorised*	–	(689.29)
Net Finance Costs	**2,711.98**	2,007.65

*Borrowing cost inventorised refers to interest on Borrowings in Note 12A considered at the average rate of 9.05% p.a.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

24. Other expenses

(Amounts in INR Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Power and fuel	**29.64**	40.42
Rent including lease rentals	**10.49**	9.10
Repairs and maintenance	**7.05**	8.07
Insurance	**26.85**	23.80
Rates and taxes	**69.07**	10.94
Communication	**37.59**	22.65
Travelling and conveyance	**8.58**	2.13
Printing and stationery	**2.19**	2.83
Business promotion	**16.48**	75.88
Office Maintenance expenses	**21.84**	35.34
Legal and professional	**133.51**	104.99
Payments to auditors* (Refer below for details of Audit fees)	**13.60**	13.60
Directors sitting fees	**1.20**	1.40
Donations	**0.20**	0.50
Services outsourced	**99.54**	93.97
Allowances for expected credit losses	**94.77**	48.68
Corporate Social Responsibility (CSR) activities (refer Note No 25)	**4.03**	17.04
Club expenses	**72.67**	69.89
Miscellaneous expenses	**2.79**	1.08
Total Other expenses	**652.09**	582.31

(Amounts in INR Lakhs)

* Payment to auditors (excluding taxes)	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Statutory Audit and Limited Reviews	**11.20**	11.20
Tax Audit	**2.00**	2.00
Certification and Other Services	**0.40**	0.40
	13.60	13.60

25. Expense on Corporate Social Responsibility

(Amounts in INR Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Gross amount required to be spent by the company during the year	**4.03**	17.04
Amount spent during the year on		
Contribution to Nanhi Kali foundation	–	8.52
Supporting Primary Health Centre	–	5.11
Support to School for Enhancing Quality of Education	–	–
Contribution to District Collector for Covid-19 prevention measures	–	3.00
Awareness programmes -Solid waste Management & others	**4.03**	0.41
	4.03	17.04

26. Segment information

Business segments

The Company operates in only one business segment, i.e. 'lease of land and properties constructed' based on the nature of the services and products, the risks and returns etc. This has been determined in the manner consistent with the internal reporting provided to the Manager regarded as the Chief Operating Decision Maker ("CODM"). The Company operates only in India. The conditions prevailing in India being uniform, no separate geographical disclosure within India is considered necessary.

27. Earnings per Share

(Amounts in INR Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Loss for the year attributable to owners of the Company	**(2,032.03)**	(1,016.82)
Weighted average number of equity shares (in Nos)	**2,00,00,000**	2,00,00,000
Earnings per share from continuing operations - Basic and Diluted (in Rs.) ((face value of Rs.10/- each)	**(10.16)**	(5.08)

28. Contingent liabilities and Capital Commitments

(Amounts in INR Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Contingent liabilities (to the extent not provided for)		
Income Tax Demands*	**10,181.93**	–
Service tax demands received	**493.21**	493.21
(The above amount is based on demand raised, which the Company is contesting with the concerned authorities. Outflows, if any, arising out of this claim would depend on the outcome of the decision of the appellate authorities and Company's rights for future appeals.)		
Total Contingent Liabilities	**10,675.14**	493.21

* The National Faceless Assessment Centre, Delhi passed an assessment Order under Section 147 r.w.s 144 of the IT Act on 29.03.2022 for an amount of Rs 101.82 Crs including an interest of Rs 42 Crs. The company filed a Writ petition on 21st April 2022 (Filing Number is WMP/43619/2022 in WP(SR) 43616/2022) pleading to stay all further proceedings pursuant to the Impugned Order and issue orders for fresh hearing u/s 147.

29. Employee Benefits

a) Defined Contribution plans

The Company makes Provident fund contribution to defined contribution plans for the employees. Under the scheme, the company is required to contribute a specified percentage of the payroll cost to the fund the benefits. The Company recognized Rs. 15.95 Lakhs (PY Rs. 16.46 Lakhs) for Provident fund & Other funds contributions in the statement of profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

b) Defined Benefit Plans

The Company's obligation towards gratuity is defined benefit plan. The gratuity expense is included under 'Employee Benefit Expenses' in Note 22 Employee benefits expense. The company has funded the gratuity Liability through LIC Scheme. The details of actuarial valuation are given below:

Gratuity:

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund. Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

(Amounts in INR Lakhs)

		Gratuity (Funded) 2021-22	2020-21
a.	**Net Liabilities recognized in the balance sheet**		
	Present Value of Defined Benefit Obligation	**53.56**	46.97
	Fair Value of Plan assets	**29.61**	27.30
	Liabilities recognised in the balance sheet	**23.95**	19.67
b.	**Expense recognized in the Statement of Profit and Loss**		
	Past service cost	–	–
	Current Service cost	**3.14**	4.24
	Interest cost	**2.91**	3.25
	Expected return on plan assets	**(2.85)**	(2.01)
	Actuarial (gains) / Losses	**1.14**	(7.36)
	Total expenses	**4.34**	(1.88)
c.	**Change in present value of Defined Benefit obligation**		
	Present Value of the obligation at the beginning of the year	**46.97**	53.69
	Past service cost	–	–
	Current Service cost	**3.14**	4.24
	Interest Cost	**2.91**	3.25
	Actuarial (Gains) /Losses	**1.91**	(7.36)
	Benefits Paid	**(1.37)**	(6.85)
	Present value of the obligation as at the end of the year	**53.56**	46.97
d.	**Change in fair value of plan assets**		
	Present value of plan assets as the beginning of the year	**27.30**	25.52
	Expected return on plan assets	**3.69**	2.01
	Contributions made	–	–
	Benefits paid and Charges	**(1.37)**	(0.23)
	Present value of plan assets at the end of the year	**29.62**	27.30

(Amounts in INR Lakhs)

		Gratuity (Funded) 2021-22	2020-21
e.	**Principal actuarial assumptions**		
	Discount Rate	**6.03%**	6.29%
	Expected return on plan assets	**6.03%**	6.29%
	Expected rate of Salary increase	**10.00%**	8.00%
	Attrition Rate	**20.00%**	10.00%
	Mortality	LIC (2006-08) Ultimate mortality tables	
f.	**Estimate of amount of contribution in the immediate next year**	**23.94**	19.67

g. Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotions, increments and other relevant factors such as supply and demand in the employment market.

h. Basis used to determine expected rate of return - The Gratuity Fund is managed by the Life Insurance Corporation of India and they have not made available the information on major categories of plan assets and the expected rate of return on each class of plan assets.

(Amounts in INR Lakhs)

i. Experience adjustment as provided by actuary:	for the years 2021-22	2020-21	2019-20	2018-19	2017-18
Present value of DBO	**53.56**	46.97	53.69	41.37	28.64
Fair value of plan assets	**29.61**	27.30	25.52	24.19	22.14
Experience gain / (loss) adjustments on plan liabilities	**(2.85)**	(2.01)	(1.44)	(2.19)	(1.01)
Experience gain / (loss) adjustments on plan assets	**0.44**	0.24	(0.32)	0.52	(0.51)

Long-Term Compensated Absences
Actuarial assumptions:

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Discount rate	**6.03%**	6.47%
Expected return on plan assets	**6.03%**	6.47%
Salary escalation	**10.00%**	10.00%
Attrition	**20.00%**	10.00%

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(Amounts in INR Lakhs)

	Year	Change in Assumption	Impact on defined benefit obligation: Increase in assumption	Decrease in assumption
Discount Rate	**2022**	0.50%	52.79	54.34
	2021	0.50%	45.89	48.10
Salary Growth Rate	**2022**	0.50%	54.12	53.00
	2021	0.50%	47.76	46.20

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

Maturity profile of defined benefit obligation:

(Amounts in INR Lakhs)

	As at 31 March, 2022	As at 31 March, 2021
Year 1	26.00	4.56
Year 2	5.80	20.45
Year 3	5.17	2.74
Year 4	4.57	2.69
Year 5	3.94	2.62
Next 5 Years	15.96	19.56

Plan of Assets

The fair value of Company's pension plan asset as of 31 March, 2022 and 31 March, 2021 by category are as follows:

Asset Category	As at 31 March, 2022	As at 31 March, 2021
Deposits with Insurance companies	100%	100%

30 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

COVID -19 Impact assessment :
The management assessed the Company's future projections in light of the developments due to COVID 19 situation and has reassessed the impact that it may cause on the Company's financial and operational performance. The business activities were temporarily suspended owing to lock down during the year and post phased out lifting of the lock down, the activities have commenced in a gradual manner. The Company has credit and term loan facilities available to meet the project costs and pay off the vendors and bankers in the immediate 12 months from the date of approval of these financial statements. The Company expects no additional inflow of capital towards currently planned development. Based on the above assessment, the management is of the view that company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

31. Financial Instruments

Capital management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary. There is no change in the overall capital risk management strategy of the Company compared to last year.

The Company uses debt ratio as a capital management index and calculates the ratio as total debt divided by total equity. Total liabilities and total equity are based on the amounts stated in the financial statements.

The Company is not subject to externally enforced regulation.

Debt-to-equity ratio as of 31st March, 2022 and 31st March, 2021 is as follows:

(Amounts in INR Lakhs)

	31 March, 2022	31 March, 2021
Debt (A)	**33,705.25**	30,693.31
Equity (B)	**11,013.17**	13,046.01
Debt Equity Ratio (A/B)	**3.06**	2.35

Categories of financial assets and financial liabilities

(Amounts in INR Lakhs)

	As at 31 March, 2022			
	Amortised Costs	**FVTPL**	**FVOCI**	**Total**
Non-current Assets				
Investments in Associate	**1,300.00**	–	–	**1,300.00**
Investments in Joint Venture	**10,200.00**	–	–	**10,200.00**
Other Financial Assets	**5.02**	–	–	**5.02**
Current Assets				
Trade Receivables	**403.04**	–	–	**403.04**
Cash and Cash equivalents	**1,360.95**	–	–	**1,360.95**
Other Financial Assets	–	–	–	–
	13,269.01	–	–	**13,269.01**
Non-current Liabilities				
Borrowings	–	–	–	–
Other Financial Liabilities	**1.64**	–	–	**1.64**
Current Liabilities				
Borrowings	**33,705.25**	–	–	**33,705.25**
Trade Payables	**893.25**	–	–	**893.25**
Other Financial Liabilities				–
– Non Derivative Financial Liabilities	**793.38**	–	–	**793.38**
	35,393.52	–	–	**35,393.52**

	As at 31 March, 2021			
	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments in Associate	1,300.00	–	–	1,300.00
Investments in Joint Venture	10,200.00	–	–	10,200.00
Other Financial Assets	5.02	–	–	5.02
Current Assets				
Trade Receivables	439.52	–	–	439.52
Cash and Cash equivalents	198.39	–	–	198.39
Other Financial Assets	–	–	–	–
	12,142.93	–	–	12,142.93
Non-current Liabilities				
Borrowings	22,855.02	–	–	22,855.02
Other Financial Liabilities	1.54	–	–	1.54
Current Liabilities				
Borrowings	7,838.30	–	–	7,838.30
Trade Payables	809.45	–	–	809.45
Other Financial Liabilities				
– Non Derivative Financial Liabilities	135.53	–	–	135.53
	31,639.84	–	–	31,639.84

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

CREDIT RISK

(i) Credit risk management

The amount of trade receivable from Land leasing, Industrial park maintenance service and property leasing activities as appearing in the balance sheet of the company shows the amount due from the customers to whom the Industrial park Maintenance charges, water charges and property Lease services are provided. Company executes Land leasing agreement with customers only, entire lease premium is paid by customers and hence no risk of credit loss in dues relating to Land leasing premium. Further, As per the company's policy, every customer has to deposit 3 to 6 months of Maintenance charges and/or monthly lease rentals with the company and as per the terms of the agreement with the customer's, company is entitled to adjust the pending dues against the deposits taken from customer and hence, company is not exposed to any credit loss risk. Further there has been no instance in past which shows that the company has written off any significant dues pending and is not exposed to a credit risk. During the year to the extent where recoverability of debt is doubtful the company has made provision for expected credit loss.

LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(Amounts in INR Lakhs)

Particulars	**Less than 1 Year**	**1–3 Years**	**3 Years to 5 Years**	**5 years and above**
Non-derivative financial liabilities				
31 March, 2022				
Non-interest bearing				
Trade Payables	**893.25**	–	–	–
Capital Creditors	–	–	–	–
Other Financial Liabilities	**793.38**	–	–	**1.64**
Variable interest rate instruments				
Short term Borrowing – Principal	**33,705.25**	–	–	–
Loan term Borrowing – Principal	–	–	–	–
Total	**35,391.88**	–	–	**1.64**
31 March, 2021				
Non-interest bearing				
Trade Payable	809.45	–	–	–
Capital Creditors	5.00	–	–	–
Other Financial Liabilities	130.53	–	–	1.54
Variable interest rate instruments				
Short term Borrowing - Principal	7,838.30	–	–	–
Loan term Borrowing - Principal	–	18,792.52	4,062.50	–
Total	8,783.28	18,792.52	4,062.50	1.54

The amounts included above for financial guarantee contracts are the maximum amounts the Company could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the arrangement.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(iii) Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

(Amounts in INR Lakhs)

Particulars	31 March, 2022	31 March, 2021
Secured Bank Overdraft facility		
– Expiring within one year	**2,234.75**	1,361.70
Secured Bank Guarantee Limit (sub limit of CC Credit facility)		
– Expiring within one year	**20.00**	20.00
	2,254.75	1,381.70

(iv) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(Amounts in INR Lakhs)

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial assets				
31 March, 2022				
Non-interest bearing				
Non Current Investment	–	–	–	**11,500.00**
Security Deposits	–	–	–	–
Trade Receivables	**403.04**	–		
Cash and Cash equivalents	**1,360.95**	–	–	–
Other Current Financial Assets	–	**5.02**	–	–
Total	**1,763.99**	**5.02**	–	**11,500.00**
31 March, 2021				
Non-interest bearing				
Non Current Investment	–	–	–	11,500.00
Trade Receivables	439.52	–		
Cash and Cash equivalents	198.39	–	–	–
Other Current Financial Assets	–	5.02	–	–
Total	637.91	5.02	–	11,500.00

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

Currency Risk

The Company undertakes transactions denominated only in India Rupees and hence there is no risk of foreign exchange fluctuations.

Interest rate risk

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

Interest rate sensitivity

The sensitivity analyses below have been determined based on exposure to interest rate for both derivative and non-derivative instruments at the end of reporting period. For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(Amounts in INR Lakhs)

Year	Currency	Increase/ decrease in basis points	Effect on financials
31 March, 2022	INR	+100	337.05
	INR	-100	(337.05)
31 March, 2021	INR	+100	306.93
	INR	-100	(306.93)

32 Related Party Transactions

Details of related parties:

Description of relationship	
Ultimate Holding Company	Mahindra & Mahindra Limited(M&M)
Holding Company	Mahindra Lifespaces Developers Limited (MLDL)
Joint Venture	Mahindra Industrial Park Chennai Ltd (MIPCL)
Associate	Mahindra Integrated Township Limited (MITL)
Associate	Mahindra Residential Developers Limited (MRDL)
Key Management Personnel (KMP)	
Chief Executive Offcer	Mr. Vimal Agarwal
Chief Financial Offcer	Ms. Bharathy K

Details of related party transactions during the year ended 31st March, 2022 and balances outstanding as at 31st March, 2022:

(Amounts in INR Lakhs)

Transactions during the year	Utilimate Holding Company (M&M)	Holding Company	Joint Venture (MIPCL)	Associate (MITL)	Associate (MRDL)
Land Sale	–	–	–	–	–
	–	–	–	–	–
Operation and maintenance Income	203.68	–	–	198.25	19.28
	(203.68)	–	–	(217.05)	(19.79)
Water charges income	15.95	–	–	7.28	1.36
	(14.12)	–	–	(5.91)	(6.42)
Club income	61.25	–	–	–	–
	(43.16)	(0.09)	(0.40)	(0.62)	–
Other Services Provided	–	–	44.49	3.43	1.47
	–	–	(157.45)	(3.75)	(0.73)
Service received	12.71	7.20	6.91	–	–
	(9.10)	–	(13.20)	–	–
Dividend Paid	–	–	–		–
	–	–	–	–	–
Reimbursement of expenses- Given	11.86	–	–	–	–
	(18.58)	–	–	–	–
Reimbursement of expenses- Taken	–	–	–	–	–
	–	–	–	–	–
ESOP Costs	–	12.21	–	–	–
	–	(2.54)	–	–	–
Interest Paid	–	–	–	–	417.80
	–	–	–	–	(259.60)
Inter Corporate Deposit received	–	–	–	1,000.00	4,940.00
	–	–	–	–	(2,200.00)
Intercorporate Deposit / Term loan repaid	–	–	–	–	4,200.00
	–	–	–	–	–
<u>Balance Outstanding as at the year end</u>					
Internal corporate deposits(ICD) payable	–	–	–	1,000.00	4,940.00
	–	–	–	–	(4,200.00)
Security Deposits taken	55.65	–	–	66.27	23.07
	(55.65)	–	–	(66.27)	(23.07)
Receivables	1.76	–	–	55.30	7.77
	(8.89)	–	(160.99)	(0.46)	(0.34)
Payables	3.46	14.16	5.20	26.20	170.28
	(3.76)	(2.54)	–	–	(84.62)

Note: Figures in bracket relates to the previous year

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

33. Fair Value Measurement

Fair value of financial assets and financial liabilities that are not measured at fair value

(Amounts in INR Lakhs)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets carried at Amortised Cost				
– investments in Equity	**11,500.00**	**11,500.00**	11,500.00	11,500.00
– trade and other receivables	**403.04**	**403.04**	439.52	439.52
– Cash and cash equivalents	**1,360.95**	**1,360.95**	198.39	198.39
– deposits and similar assets	**5.02**	**5.02**	5.02	5.02
Total	**13,269.01**	**13,269.01**	12,142.93	12,142.93
Financial liabilities				
Financial liabilities held at amortised cost				
– Long term loans from Financial Institutions	–	–	22,855.02	22,855.02
– OD limits from Bank	**2,765.25**	**2,765.25**	3,638.30	3,638.30
– Loans from related parties	**30,940.00**	**30,940.00**	4,200.00	4,200.00
– Trade and other payables	**893.25**	**893.25**	809.45	809.45
– Other Financial Liabilities	**795.02**	**795.02**	137.07	137.07
Total	**35,393.52**	**35,393.52**	31,639.84	31,639.84

Fair value hierarchy as at 31 March, 2022

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
– investments in Equity	–	**11,500.00**	–	11,500.00
– trade and other receivables	–	**403.04**	–	**403.04**
– cash and cash equivalents	–	**1,360.95**	–	**1,360.95**
– deposits and similar assets	–	**5.02**	–	**5.02**
Total	–	**13,269.01**	–	**13,269.01**
Financial liabilities				
Financial Instruments not carried at Fair Value				
– Long term loans from Financial Institutions	–	–	–	–
– OD limits from Bank	–	**2,765.25**	–	2,765.25
– loans from related parties	–	**30,940.00**	–	30,940.00
– trade and other payables	–	**893.25**	–	893.25
– Other Financial Liabilities	–	**795.02**	–	795.02
Total	–	**35,393.52**	–	**35,393.52**

Fair value hierarchy as at 31 March, 2021

(Amounts in INR Lakhs)

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
– investments in Equity	–	**11,500.00**	–	11,500.00
– trade and other receivables	–	**439.52**	–	**439.52**
– cash and cash equivalents	–	**198.39**	–	**198.39**
– deposits and similar assets	–	**5.02**	–	**5.02**
Total	–	**12,142.93**	–	**12,142.93**

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

	Level 1	Level 2	Level 3	Total
Financial liabilities				
Financial Instruments not carried at Fair Value				
– Long term loans from Financial Institutions	–	**22,855.02**	–	22,855.02
– OD limits from Bank	–	**3,638.30**	–	3,638.30
– loans from related parties	–	**4,200.00**	–	4,200.00
– trade and other payables	–	**809.45**	–	809.45
– Other Financial Liabilities	–	**137.07**	–	137.07
Total	–	**31,639.84**	–	**31,639.84**

The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

34 Ratios

a) Current Ratio

(Amounts in INR Lakhs)

Particulars	2021-22	2020-21	Variance %
Current Assets (A)	**32,829.14**	31,680.40	
Current Liabilities (B)	**35,998.12**	9,240.17	
Ratio (A / B)	**0.91**	3.43	(73%)

Variance in current ratio is mainly on account of Proceeds from short-term borrwings from related parties

b) Debt Equity Ratio

Particulars	2021-22	2020-21	Variance %
Total Debt including interest accrued (A)	**33,908.49**	30,777.59	
Equity (B)	**11,013.17**	13,046.01	
Debt Equity Ratio (A / B)	**3.08**	2.36	31%

Variance in Debt Equity Ratio is mainly on account of loss reported during the year. The company has not recorded any revenue from land lease premium & Sale of land during the financial year as against INR 18.39 crores of revenue in the previous year

c) Debt Service Coverage Ratio (DSCR)

Particulars	2021-22	2020-21	Variance %
Profit After Tax	**(2,032.03)**	(1,016.82)	
Depreciation	**332.94**	338.04	
Interest (Charged to P&L)	**2,711.98**	2,007.65	
Non Cash Expense	**94.77**	48.68	
Earnings available for Debt Service (A)	**1,107.66**	1,377.55	
Debt Service			
Interest Payments	**2,572.10**	2,609.72	
Pricipal Repayments	**31,976**	1,385	
Total Debt Serviced (B)	**34,548**	3,995	
Debt Service Coverage Ratio (DSCR) (A / B)	**0.03**	0.34	(91%)

Reduction in Earning available for Debt Service and Debt service coverage ratio is mainly on account of loss reported during the year and the repayment of the term loans during the year. The company has not recorded any revenue from land lease premium & Sale of land during the financial year as against INR 18.39 crores of revenue in the previous year

d) Return of Equity (ROE)

(Amounts in INR Lakhs)

Particulars	2021-22	2020-21	Variance %
Profit After Tax	**(2,032.03)**	(1,016.82)	
Networth	**12,029.59**	13,551.73	
Ratio (A / B)	**(16.89%)**	(7.50%)	125.13%

Reduction in ROE is mainly on account of loss reported during the year. The company has not recorded any revenue from land lease premium & Sale of land during the financial year as against INR 18.39 crores of revenue in the previous year

e) Inventory Turnover ratio

(Amounts in INR Lakhs)

Particulars	2021-22	2020-21	Variance %
Cost of Land leased (A)	–	626.89	
Average Inventory (B)	**27,672.25**	27,632	
Ratio (A / B)	–	0.02	(100%)

Reduction in Inventory Turnover Ratio is mainly on account of no Cost of Land Leased booked during the year. The company has not recorded any revenue from land lease premium & Sale of land during the financial year as against INR 18.39 crores of revenue in the previous year

f) Trade Receivables turnover ratio

(Amounts in INR Lakhs)

Particulars	2021-22	2020-21	Variance %
Turnover (credit) (A)	**2,862.40**	4,696.37	
Trade Receiavables (Average) (B)	**421.28**	510.69	
Ratio (A / B)	**6.79**	9.20	(26%)

Variance in Trade Receivables Ratio is mainly on account of loss reported during the year. The company has not recorded any revenue from land lease premium & Sale of land during the financial year as against INR 18.39 crores of revenue in the previous year

g) Trade Payable turnover ratio

(Amounts in INR Lakhs)

Particulars	2021-22	2020-21	Variance %
Project Development Expenses and other expenses (excluding interest) (A)	**5,746.97**	5,532.10	
Average Trade payable (B)	**851.35**	819.75	
Ratio (A / B)	**6.75**	6.75	0%

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

h) Net capital turnover ratio,

(Amounts in INR Lakhs)

Particulars	2021-22	2020-21	Variance %
Turnover (A)	**2,862.40**	4,696.37	
Working Capital (B)	**(3,169)**	22,440	
Ratio (A / B)	**(1)**	5	(123%)

Variance in Net Capital Turnover Ratio is mainly on account of loss reported during the year & Proceeds from the short term borrowings from related parties. The company has not recorded any revenue from land lease premium & Sale of land during the financial year as against INR 18.39 crores of revenue in the previous year

i) Net profit ratio

(Amounts in INR Lakhs)

Particulars	2021-22	2020-21	Variance %
Profit After Tax (A)	**(2,032)**	(1,017)	
Revenue (B)	**2,862**	4,696	
Ratio (A / B)	**(70.99%)**	(21.65%)	228%

Variance in Net Profit Ratio is mainly on account of loss reported during the year & Proceeds from the short term borrowings from related parties. The company has not recorded any revenue from land lease premium & Sale of land during the financial year as against INR 18.39 crores of revenue in the previous year

j) Return on Capital employed

(Amounts in INR Lakhs)

Particulars	2021-22	2020-21	Variance %
Earnings before Interest and Tax (A)	**(172.59)**	1,171.92	
Net worth	**12,029.59**	13,551.73	
Borrowing	**33,705.25**	30,693.31	
Capital employed (B)	**45,735**	44,245	
Ratio (A / B)	**(0.38%)**	2.65%	(114%)

Variance in Return on Capital employed is mainly on account of loss reported during the year & Proceeds from the short term borrowings from related parties. The company has not recorded any revenue from land lease premium & Sale of land during the financial year as against INR 18.39 crores of revenue in the previous year

k) Return on investment.

(Amounts in INR Lakhs)

Particulars	2021-22	2020-21
Earnings before Interest and Tax (A)	**(172.59)**	1,171.92
Capital employed (B)	**45,735**	44,245
Ratio (A / B)	**(0.38%)**	2.65%

Variance in Return on investment is mainly on account of loss reported during the year & Proceeds from the short term borrowings from related parties. The company has not recorded any revenue from land lease premium & Sale of land during the financial year as against INR 18.39 crores of revenue in the previous year

35 Additional Information to the Financial Statements

i) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

There are no overdue amounts payable to Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, as at the reporting date or anytime during the year and hence no interest has been paid or payable accordingly no additional disclosures have been made.

		(Amounts in INR Lakhs)	
Si. No.	Particulars	**As at 31 March, 2022**	As at 31 March, 2021
1	Dues remaining unpaid		
	Principal	**65.45**	14.26
	Interest	**–**	–
2	Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year		
	Principal paid beyond the appointed date	**–**	–
	Interest paid in terms of Section 16 of the MSMED Act	**–**	–
3	Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	**–**	–
4	Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	**–**	–
5	Amount of interest accrued and remaining unpaid	**–**	–

35a Additional regulatory information

a) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

b) Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

d) Utilisation of borrowed funds and securities premium

The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

e) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

f) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

g) Registration of Charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period

h) Whistle Blower-

During the year ended March 31, 2022 and till the date of adoption of financial statements by board of directors, the Company did not received any whistle blower compliants.

35b Discrepancies between books of accounts & quarterly statements submitted to banks

The company has complied with the requirement of filing of quarterly returns/statements of current assets with the banks or financial institutions, wherever applicable, and these returns were in agreement with the books of accounts for the period ended 30 June 2021, 30 September 2021 and 31 December 2021.

(Amounts in INR Lakhs)

Bank	Quarter	Particulars	Amount as per books of account	Amount as reported in the quarterly return/statement
HDFC Bank	Apr'21 to June'21	Actual CFS	3,567	3,567
HDFC Bank	July'21 to Sep'21	Actual CFS	1,941	1,941
HDFC Bank	Oct'21 to Dec'21	Actual CFS	1,116	1,116

35c Merger of Mahindra Integrated Township Ltd (MITL) and Mahindra Residential Developers Ltd (MRDL) with Mahindra World City Developers Ltd (MWCDL)

Pursuant to approval received from the Boards of Mahindra Integrated Township Ltd (MITL), Mahindra Residential Developers Ltd (MRDL), and Mahindra World City Developers Ltd (MWCDL) for merger of MITL and MRDL with MWCDL, an application under Section 230 to 232 of the Companies Act, 2013 has been filed with National Company Law Tribunal, Chennai on 24th December, 2021 for seeking directions from NCLT, Chennai.

35d Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment -

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets –

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

36. Other Notes

i. The Company has disclosed the impact of pending litigations on its financial position in these financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The company did not have any material foreseeable losses on long term contracts. The company has not entered into any derivative contracts.

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

iv. The Company does not have foreign exchange exposure as at 31 March, 2022.

37. Leases

The Company has not applied the requirement of IND AS 116 to short-term leases of all assets that have a lease term of 12 months or less. Amount recognised as expense in Statement of Profit and Loss is Rs. 10.49 Lakhs(FY 2020-21 Rs 9.10 Lakhs).

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

38. Events after the Reporting period

No material events have occurred after the Balance sheet date and up to the approval of Financial statements.

39. Regrouping and Reclassification

Previous period / year figures have been regrouped / reclassified where found necessary, to conform to current period / year classification.

40. Approval of Financial Statements

The financial statements were approved for issue by the board of directors in the meeting on 23rd April, 2022.

For and on behalf of the board of directors of
Mahindra World City Developers Limited

A K Nanda
Chairman
(DIN:00010029)

Arvind Subramanian
Director
(DIN: 02551935)

Place: Chennai
Date: 23rd April 2022

Vimal Agarwal
Chief Executive Officer

Bharathy K
Chief Financial Officer

Antaryami Sahoo
Company Secretary

Annexure A

Form AOC-I

Salient features of Financial Statements of Subsidiary as per Companies Act, 2013

Nature	ASSOCIATES	JOINT VENTURES
Name of Subsidiary	**Mahindra Integrated Township Limited**	**Mahindra Industrial Park Chennai Limited**
The date since when subsidiary was acquired	04th May, 2006	22nd Dec, 2014
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
Share Capital	5,000.00	17,000.00
Reserves & Surplus	4,191.93	322.24
Total Assets	25,603.68	33,238.95
Total Liabilities	16,411.75	16,561.19
Investments	6,629.48	–
Turnover	10,227.36	78.86
Profit/(Loss) before taxation	3,613.24	(973.91)
Provision for taxation	1,012.42	(244.91)
Profit/(Loss) after taxation	2,600.82	(729.00)
Proposed Dividend	–	–
Extent of shareholding (in percentage)	26.00%	60.00%

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MAHINDRA WORLD CITY (JAIPUR) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Mahindra World City (Jaipur) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the Financial Statements").

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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report and the related annexures, but does not include the Financial Statements and our Auditors' Report thereon.

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

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

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

Responsibilities of management 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. 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 financial 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 the 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 auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents 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 controls 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows 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.
   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
   (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
   (g) The Company has not paid/provided any remuneration to managerial personnel as defined in the Act. Accordingly, the provisions of Section 197 of the Act related to the managerial remuneration are not applicable to the Company.
   (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
      (i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 32 to 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 which were required to be transferred to the Investor Education and Protection Fund by the Company;
      (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee,

security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement; and

(v) The final dividend proposed in the previous year and declared and paid during the year by the Company is in compliance with Section 123 of the Act.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Himanshu Goradia
Partner
Membership No. 045668
UDIN: 22045668AHPBGL1046

Mumbai, April 22, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Mahindra World City (Jaipur) Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.

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.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Himanshu Goradia
Partner
Membership No. 045668
UDIN: 22045668AHPBGL1046

Mumbai, April 22, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date]

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

(B) According to the information and explanations given to us, the Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment and investment property by which the property, plant and equipment and investment property are verified by the management according to a programme designed to cover all the items every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment and investment property. In accordance with the programme, the Company has physically verified property, plant and equipment and investment properties during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, in respect of the leasehold land on which the properties are constructed by the Company, based on examination of the registered lease deeds provided to us, we report that the lease agreements are in the name of the Company as at the Balance Sheet date where the Company is the lessee in the agreement.

(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment and investment property or intangible assets or both during the year.

(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) According to the information and explanations given to us, having regard to the nature of inventory, the physical verification by way of verification of lease deeds, certificate received from third party confirming the inventory, site visits by the management and certification of extent of work completion by competent persons, is carried out at reasonable intervals by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between the physical inventory and the book records.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from HDFC Bank Limited on the basis of security of accounts receivables during the year. The statements of accounts receivables filed by the Company with HDFC Bank Limited on a quarterly basis are materially in agreement with the unaudited books of account as certified by the management.

(iii) According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, specified by the Central Government under sub-section (1) of Section 148 of the Act and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services Tax, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at March 31, 2022, which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanations given to us and records of the Company examined by us, the particulars of dues of Urban Land Tax and Income Tax which have not been deposited as on March 31, 2022 on account of disputes are as under:

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the Amount relates	Amount unpaid (Rs. In Lakhs)
The Jaipur Development Authority Act 1982	Urban Land Tax (Shahri Jamabandi)	Jaipur Development Authority	2006-2016	32,179.39
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	Assessment Year 2011-2012	32.16

(viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any term loans during the year. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long- term purposes as at the Balance Sheet date.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has no subsidiaries, associates or joint ventures. Accordingly, the reporting under Clause 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has no subsidiaries, associates or joint ventures. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.

(b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the Internal Audit reports of the Company issued till date for the period under audit.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to the information and explanations given to us, in respect of other than ongoing projects, the Company has no unspent amount that needs to be transferred to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act.

(b) According to the information and explanations given to us, in respect of ongoing projects, the Company has no unspent amount which needs to be transferred to a special account in compliance with sub-section (6) of Section 135 of the Act.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Himanshu Goradia
Partner
Membership No. 045668
UDIN: 22045668AHPBGL1046

Mumbai, April 22, 2022

BALANCE SHEET AS AT 31ST MARCH, 2022

Rs. in Lakhs

			Note No.	As at 31st March, 2022	As at 31st March, 2021
I	**ASSETS**				
1	**NON-CURRENT ASSETS**				
	(a)	Property, Plant and Equipment	3	**5,272.04**	5,606.17
	(b)	Capital Work-in-Progress	4	**207.10**	150.55
	(c)	Investment Property	5	**8,069.85**	8,231.06
	(d)	Intangible Assets	6	**–**	–
	(e)	Financial Assets			
		(i) Security Deposits	7	**118.69**	116.90
	(f)	Other Non-current Assets	9	**492.53**	720.70
		SUB-TOTAL		**14,160.21**	14,825.38
2	**CURRENT ASSETS**				
	(a)	Inventories	10	**48,393.01**	50,909.84
	(b)	Financial Assets			
		(i) Investments	11	**4,706.63**	–
		(ii) Trade Receivables	12	**1,023.40**	734.61
		(iii) Cash and Cash Equivalents	13	**138.93**	1,347.50
		(iv) Bank Balances other than (iii) above	13	**5,426.67**	514.75
		(v) Other Financial Assets	8	**36.58**	0.63
	(c)	Other Current Assets	9	**437.71**	415.43
		SUB-TOTAL		**60,162.93**	53,922.76
		TOTAL ASSETS (1 + 2)		**74,323.14**	68,748.14
II	**EQUITY AND LIABILITIES**				
1	**EQUITY**				
	(a)	Share Capital	14	**15,000.00**	15,000.00
	(b)	Other Equity	15	**27,889.83**	18,678.10
		SUB-TOTAL		**42,889.83**	33,678.10
	LIABILITIES				
2	**NON-CURRENT LIABILITIES**				
	(a)	Financial Liabilities			
		(i) Borrowings	16	**15,480.03**	21,025.96
		(ii) Other Financial Liabilities	17	**2.67**	3.08
	(b)	Provisions	18	**4,869.68**	2,604.66
	(c)	Deferred Tax Liabilities (Net)	19	**2,061.20**	1,348.77
	(d)	Other Non-current Liabilities	20	**938.93**	854.59
		SUB-TOTAL		**23,352.51**	25,837.06
3	**CURRENT LIABILITIES**				
	(a)	Financial Liabilities			
		(i) Borrowings	16	**50.07**	393.06
		(ii) Trade Payables	21		
		- Total outstanding dues of micro enterprises and small enterprises		**28.67**	3.09
		- Total outstanding dues of creditors other than micro enterprises and small enterprises		**1,243.86**	1,166.32
		(iii) Other Financial Liabilities	17	**4,077.19**	4,804.40
	(b)	Other Current Liabilities	20	**1,586.70**	1,208.72
	(c)	Provisions	18	**1,094.31**	1,657.39
		TOTAL CURRENT LIABILITIES		**8,080.80**	9,232.98
		TOTAL EQUITY AND LIABILITIES (1 + 2 +3)		**74,323.14**	68,748.14
	Summary of Significant Accounting Policies		2		

The accompanying notes 1 to 44 are an integral part of these financial statements

In terms of our report attached

For B.K. Khare & Co.
Chartered Accountants
Firm's Registration Number: 105102W

Himanshu Goradia
Partner
Membership No.: 045668
Place: Mumbai
Date: April 22, 2022

For and on behalf of Board of the Directors

Arvind Subramanian
Director
DIN No.: 02551935

Arun Nanda
Director
DIN No.: 00010029

Chief Financial Officer

Company Secretary
Membership No.: 32339

Place: Jaipur
Date: April 22, 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

Rs. in Lakhs

	Particulars	Note No.	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
I	Revenue from operations	22	29,103.34	11,074.33
II	Other Income	23	145.81	27.55
III	**Total Income (I + II)**		29,249.15	11,101.88
IV	**EXPENSES**			
	(a) Cost of Sales			
	- Cost of Projects	24	6,235.36	1,768.64
	- Operation & Maintenance expenses	25	1,708.15	1,554.95
	(b) Employee benefits expense	26	386.98	359.00
	(c) Finance costs	27	1,623.97	2,169.16
	(d) Depreciation and amortisation expense	3 & 4	506.78	549.39
	(e) Other expenses	28	729.48	681.84
	Total Expenses- (IV)		11,190.72	7,082.98
V	**Profit before tax (III - IV)**		18,058.43	4,018.90
VI	**Tax Expense**			
	(1) Current tax	29	4,265.90	766.76
	(2) Deferred tax	29	89.62	11.23
	Total tax expense- (VI)		4,355.52	777.99
VII	**Profit after tax (V - VI)**		13,702.91	3,240.91
VIII	**Other comprehensive income/(loss)**		8.82	11.98
	A (i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit plans		12.44	16.90
	(b) Income tax relating to item that will not be reclassified to profit or loss		(3.62)	(4.92)
IX	**Total comprehensive income for the year (VII + VIII)**		13,711.73	3,252.89
XI	**Earnings per share (Face Value of Rs. 10/- each)**			
	(1) Basic/ Diluted Earnings per share (Rs.)	30	9.14	2.16
	Summary of Significant Accounting Policies.	2		

The accompanying notes 1 to 44 are an integral part of these financial statements.

In terms of our report attached

For B.K. Khare & Co.
Chartered Accountants
Firm's Registration Number: 105102W

Himanshu Goradia
Partner
Membership No.: 045668
Place: Mumbai
Date: April 22, 2022

For and on behalf of Board of the Directors

Arvind Subramanian
Director
DIN No.: 02551935

Arun Nanda
Director
DIN No.: 00010029

Chief Financial Officer
Place: Jaipur
Date: April 22, 2022

Company Secretary
Membership No.: 32339

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Rs. in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Cash flows from operating activities		
Profit before tax for the year	**18,058.43**	4,018.90
Non-cash adjustment to reconcile profit before tax to net cash flows		
Finance costs recognised in profit or loss	**1,623.97**	2,169.16
Interest Income	**(103.32)**	(27.47)
Liabilities written back	**(35.86)**	–
Investment income recognised in profit or loss	**(6.63)**	–
Gain on disposal of property, plant and equipment	**–**	(0.08)
Provision for Doubtful Debts	**54.90**	153.81
Depreciation and amortisation of non-current assets	**506.78**	549.39
Operating Profit before working capital changes	**20,098.27**	6,863.71
Movements in working capital:		
Decrease/ (Increase) in trade and other receivables	**(343.69)**	1,806.19
Decrease in inventories	**4,113.58**	997.33
Decrease / (Increase) in other Non Current and current assets	**(20.61)**	31.98
Increase Financial Assets- Loans	**(1.79)**	(0.84)
(Decrease)/ Increase in trade and other payables	**103.12**	(279.94)
Decrease in financial liabilities	**1,345.58**	(57.96)
Increase/ (Decrease) in other liabilities	**399.87**	41.74
Increase in Provisions	**1,750.24**	332.01
Cash generated from operations	**27,444.57**	9,734.22
Income taxes (paid)/refund, net	**(3,420.21)**	(899.57)
Net cash generated from operating activities	**24,024.36**	8,834.65
Cash flows from investing activities		
Proceeds from sale of property plant and equipment	**–**	0.08
Capital expenditure	**(67.99)**	(1.54)
Net movement in Other Bank Balances	**(9,611.92)**	1,343.93
Interest & Investment Income received	**67.37**	54.50
Net cash generated from investing activities	**(9,612.54)**	1,396.97

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Rs. in Lakhs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Cash flows from financing activities		
Repayment of long term borrowings	**(5,789.42)**	(3,000.00)
Net (Repayment)/ Proceeds from short term borrowings	**(280.54)**	(1,651.62)
Dividend Paid (including dividend distribution tax)	**(4,500.00)**	–
Interest Paid	**(5,050.43)**	(5,413.11)
Net cash used in financing activities	**(15,620.39)**	(10,064.73)
Net increase/ (decrease) in cash and cash equivalents	**(1,208.57)**	166.89
Cash and cash equivalents at the beginning of the year	**1,347.50**	1,180.61
Cash and cash equivalents at the end of the year	**138.93**	1,347.50
Components of cash and cash equivalents		
Cash on hand	**0.75**	0.79
With banks		
- on current account	**138.18**	246.71
- on deposit account	**–**	1,100.00
Total cash and cash equivalents (Note 13)	**138.93**	1,347.50

₹ in Lakhs

Change in Liability arising from financing activities	**A**	B
Particulars	**As at March 31, 2022**	As at March 31, 2021
Non Current Borrowings (Refer Note 16 A)	**15,480.03**	21,025.96
Current Borrowings (Refer Note 16 B)	**50.07**	393.06
Total	**15,530.10**	21,419.02
Cash flows (A - B)		(5,888.92)
EIR adjustment to the above		(243.49)
Cash flows, net as per Financing Activities for the year ended 31 March, 2022		(6,132.41)

Summary of Significant Accounting Policies (Note 2).
The accompanying notes 1 to 44 are an integral part of these financial statements.

Notes:
The above Cash Flow Statement has been prepared under the “Indirect method” as set in ‘Indian Accounting Standard (IND AS) - Statement of Cash Flows’.

In terms of our report attached

For B.K. Khare & Co.
Chartered Accountants
Firm’s Registration Number: 105102W

Himanshu Goradia
Partner
Membership No.: 045668
Place: Mumbai
Date: April 22, 2022

For and on behalf of Board of the Directors

Arvind Subramanian
Director
DIN No.: 02551935

Arun Nanda
Director
DIN No.: 00010029

Chief Financial Officer
Place: Jaipur
Date: April 22, 2022

Company Secretary
Membership No.: 32339

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

A. Equity Share Capital

Rs. in Lakhs

Balance as at - April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at - March 31, 2022
15,000.00	–	–	–	15,000.00

Balance as at - April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at - March 31, 2021
15,000.00	–	–	–	15,000.00

B. Other Equity

Rs. in Lakhs

	Reserves and Surplus			Other Comprehensive Income	
Particulars	**Debenture Redemption Reserve**	**Capital Redemption Reserve**	**Retained Earnings**	**Acturial Gain / Loss**	**Total**
Balance as at - April 1, 2021	2,142.69	5,000.00	11,523.43	11.98	18,678.10
Profit for the year	–	–	13,702.91		13,702.91
Other Comprehensive Income net of taxes	–	–		8.82	8.82
Dividend paid on Equity Shares	–	–	(4,500.00)		(4,500.00)
Transfer from Debenture Redemption Reserve	(578.94)	–	578.94		–
Balance as at - March 31, 2022	1,563.75	5,000.00	21,305.28	20.80	27,889.83

Rs. in Lakhs

	Reserves and Surplus			Other Comprehensive Income	
Particulars	**Debenture Redemption Reserve**	**Capital Redemption Reserve**	**Retained Earnings**	**Acturial Gain / Loss**	**Total**
Balance as at - April 1, 2020	2,442.69	5,000.00	7,982.52		15,425.21
Profit for the year	–	–	3,240.91		3,240.91
Other Comprehensive Loss net of taxes	–	–	–	11.98	11.98
Transfer from Debenture Redemption Reserve	(300.00)	–	300.00	–	–
Balance as at - March 31, 2021	2,142.69	5,000.00	11,523.43	11.98	18,678.10

Summary of Significant Accounting Policies (Note 2)

The accompanying notes 1 to 44 are an integral part of these financial statements.

In terms of our report attached

For B.K. Khare & Co.
Chartered Accountants
Firm's Registration Number: 105102W

Himanshu Goradia

Partner

Membership No.: 045668

Place: Mumbai
Date: April 22, 2022

For and on behalf of Board of the Directors

Arvind Subramanian
Director

DIN No.: 02551935

Arun Nanda
Director

DIN No.: 00010029

Chief Financial Officer

Company Secretary

Membership No.: 32339

Place: Jaipur
Date: April 22, 2022

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

1. General Information

Mahindra World City (Jaipur) Limited ("the Company") is engaged in the business of development of an Industrial park with Special Economic Zone (SEZ) and Domestic Tariff Area (DTA). The Company acquires land under lease, incurs expenditure on its development and related infrastructure facilities and gives them on a long-term lease for industrial, commercial and residential use. The Company also maintains the Industrial Park for which it collects operation and maintenance charges from the lessees.

The registered office of the Company is located at 4th Floor, 411, Neelkanth Tower, Bhawani Singh Road, C-Scheme, Jaipur – 302001, Rajasthan.

2. Significant Accounting Policies

2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2021 as amended and notified under section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Companies Act, 2013 ("the Act"). The aforesaid financial statements have been approved by the Company's Board of Directors and authorised for issue in the meeting held on April 22, 2022.

2.2 Basis of measurement

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Measurement of Fair Values

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

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

2.3.1 Land Lease Premium

Land lease premium is recognized as income upon creation of leasehold rights in favour of the lessee or upon an agreement to create leasehold rights with handing over of possession.

2.3.2 Income from properties

Income from properties and other assets given under operating lease is recognised based on the terms of lease agreement on a straight-line basis over the non-cancellable lease period.

2.3.3 Income from Operations and Maintenance (O&M)

Income from operation & maintenance charges and water charges are recognized over time on an accrual basis as per terms of the agreement with the lessees.

2.3.4 Other income

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

2.4 Current versus non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Based on the nature of activity carried out by the Company and the period between the procurement and realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of Current – Non Current classification of assets & liabilities.

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

An asset is treated as current when it is:

– Expected to be realised or intended to be sold or consumed in normal operating cycle

– Held primarily for the purpose of trading

– Expected to be realised within twelve months after the reporting period, or

– Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

– It is expected to be settled in normal operating cycle

– It is held primarily for the purpose of trading

– It is due to be settled within twelve months after the reporting period, or

– There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Borrowings are classified as current if they are due to be settled within 12 months after the reporting period.

2.5 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

2.5.1 The Company as a Lessee

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

2.5.2 Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term.

2.6 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.6.1 Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The Company's current tax is calculated using tax rate that has been enacted or substantively enacted by the end of the reporting period.

2.6.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

2.6.3 Current and deferred tax for the year

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

2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.8 Inventories

Inventories are stated at lower of cost and net realisable value. The cost of construction material is determined on the basis of weighted average method. Construction Work-in-Progress includes cost of land, construction costs and allocated interest & manpower costs and expenses incidental to the projects undertaken by the Company.

2.9 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.10 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties used in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.

Depreciation on tangible fixed assets has been provided on pro-rata basis, on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for certain assets as indicated below:

Certain plant and equipment are depreciated over a period of 12 years based on technical evaluation of useful life by management.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Investment Property:

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, Investment properties are measured in accordance with requirement of IND AS 16 for cost model.

Investment property includes leasehold land and building. Depreciation on investment property has been provided on pro-rata basis, on the straight-line method as per the useful life of such property. Buildings are depreciated over the period of 60 years considering this period as the useful life for the Company.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated at the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also, allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.14 Provisions, contingent liabilities and contingent assets

2.14.1 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.14.2 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.14.3 Contingent liabilities

Contingent liability is disclosed in case of:

a. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

b. a present obligation arising from past events, when no reliable estimate is possible.

2.14.4 Contingent assets

Contingent assets are disclosed where an inflow of economic benefits is probable.

2.15 Financial instruments

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

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

2.16 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.16.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

Interest income is recognised in profit or loss for Fair Value through Other Comprehensive Income (FVTOCI) debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

2.16.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.16.3 Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument by- instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments
- that the Company manages together and has a recent actual pattern of short term
- profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or
- a financial guarantee.

2.16.4 Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right Offsetting Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously. to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.16.5 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.16.6 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.16.7 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency, denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.16.8 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.16.9 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.16.9.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.16.9.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16.9.3 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Foreign currency transactions and translations

Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Monetary assets / liabilities are translated at exchange rates prevailing on the date of settlement or at the year-end as applicable, and gain / loss arising out of such translation is adjusted to the profit and loss account.

2.18 Earnings per Share

Basic / Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

2.19 Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences etc.

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees.

<u>Defined benefit plans</u>

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

<u>Short-term employee benefits</u>

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

b) in case of non-accumulating compensated absences, when the absences occur.

<u>Long-term employee benefits</u>

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

2.20 Insurance Claims:

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.21 Goods and Services tax input credit:

Goods and Services tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

2.22 Use of estimates and judgements

The Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

Management has made the following judgements based on estimates and assumptions, which have the significant effect on the amounts recognised in the financial statements:

A. Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This re-assessment may result in change in depreciation expense in future periods.

B. Actuarial Valuation

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

C. COVID -19 Impact assessment:

The management assessed the Company's future projections in light of the developments due to COVID 19 situation and has reassessed the impact that it may cause on the Company's financial and operational performance . The business activities were temporarily suspended owing to lock down during the year and post phased out lifting of the lock down, the activities have commenced in a gradual manner . The Company has credit and term loan facilities available to meet the project costs and pay off the vendors and bankers in the immediate 12 months from the date of approval of these financial statements. The Company expects no additional inflow of capital towards currently planned development. Based on the above assessment, the management is of the view that company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Note No. 3 a. - Property, Plant and Equipment

Carrying Amounts of:	As at 31st March, 2022	As at 31st March, 2021
Land - Lease hold	**18.73**	18.96
Buildings	**4,669.48**	4,822.95
Plant & Equipment	**569.72**	756.66
Office Equipment	**13.78**	4.41
Furniture and Fixtures	**–**	2.63
Vehicles	**–**	–
Computers	**0.33**	0.56
Total	**5,272.04**	**5,606.17**

Description of Assets	Land - Leasehold	Buildings	Plant & Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Computers	Total
I. Gross Carrying Amount								
Balance as at 1 April 2021	20.55	5,974.88	2,903.02	49.44	1,490.45	29.87	64.58	**10,532.79**
Additions	–	–	–	11.44	–	–	–	**11.44**
Disposals	–	–	–	–	–	–	–	**–**
Balance As at March 31, 2022	**20.55**	**5,974.88**	**2,903.02**	**60.88**	**1,490.45**	**29.87**	**64.58**	**10,544.23**
II. Accumulated depreciation and impairment								
Balance as at 1 April 2021	1.59	1,151.93	2,146.36	45.03	1,487.82	29.87	64.02	**4,926.62**
Depreciation expense for the year	0.23	153.47	186.94	2.07	2.63	–	0.23	**345.57**
Disposals	–	–	–	–	–	–	–	**–**
Balance As at March 31, 2022	**1.82**	**1,305.40**	**2,333.30**	**47.10**	**1,490.45**	**29.87**	**64.25**	**5,272.19**
III. Net carrying amount as at March 31, 2022 (I-II)	**18.73**	**4,669.48**	**569.72**	**13.78**	**–**	**–**	**0.33**	**5,272.04**

Description of Assets	Land - Leasehold	Buildings	Plant & Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Computers	Total
I. Gross Carrying Amount								
Balance as at 1st April, 2020	20.55	5,974.88	2,903.02	49.44	1,490.45	42.48	64.58	10,545.40
Additions	–	–	–	–	–	–	–	–
Disposals	–	–	–	–	–	12.61	–	12.61
Balance as at 31 March 2021	20.55	5,974.88	2,903.02	49.44	1,490.45	29.87	64.58	10,532.79
II. Accumulated depreciation and impairment								
Balance as at 1st April 2020	1.36	995.81	1,938.53	42.02	1,481.48	42.48	63.17	4,564.85
Depreciation expense for the year	0.23	156.12	207.83	3.01	6.34	–	0.85	374.38
Disposals	–	–	–	–	–	12.61	–	12.61
Balance as at 31 March 2021	1.59	1,151.93	2,146.36	45.03	1,487.82	29.87	64.02	4,926.62
III. Net carrying amount as at 31 March 2021 (I-II)	18.96	4,822.95	756.66	4.41	2.63	–	0.56	5,606.17

Note:

The depreciation methods used and the useful lives or the depreciation rates used are as per the Accounting policy. Refer notes 1 and 2.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Note No. 4 - Capital-Work-in Progress

(a) CWIP aging schedule

Rs. In Lakhs

As at March 31, 2022	**Amount in CWIP for a period of**				
CWIP	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	**56.55**	**16.87**	**109.76**	**–**	**183.18**
Projects temporarily suspended *	**–**	**–**	**–**	**23.92**	**23.92**
Total	**56.55**	**16.87**	**109.76**	**23.92**	**207.10**

Rs. In Lakhs

As at March 31, 2021	Amount in CWIP for a period of				
CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	–	16.87	109.76	–	126.63
Projects temporarily suspended *	–	–		23.92	23.92
Total	**–**	**16.87**	**109.76**	**23.92**	**150.55**

* The amount of Projects temporarily suspended has been provided for in the books in financial year 2020-21.

(b) There is no capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

Note No. 5 - Investment Property

Carrying Amounts of:	**As at 31st March, 2022**	As at 31st March, 2021
Completed Investment Properties (Net Value)	**8,069.85**	8,231.06

Description of Assets	**Land**	**Buildings**	**Total**
I. Gross Carrying Amount			
Balance as at 1 April 2021	370.04	10,052.34	10,422.38
Addition	–	–	–
Balance As at March 31, 2022	**370.04**	**10,052.34**	**10,422.38**
II. Accumulated depreciation and impairment			
Balance as at 1 April 2021	53.64	2,137.68	2,191.32
Addition	3.68	157.53	161.21
Balance As at March 31, 2022	**57.32**	**2,295.21**	**2,352.53**
III. Net carrying amount as at 31 March 2022 (I-II)	**312.72**	**7,757.13**	**8,069.85**

Description of Assets	**Land**	**Buildings**	**Total**
I. Gross Carrying Amount			
Balance as at 1 April 2020	370.04	10,052.34	10,422.38
Addition	–	–	–
Balance As at March 31, 2021	**370.04**	**10,052.34**	**10,422.38**
II. Accumulated depreciation and impairment			
Balance as at 1 April 2020	49.96	1,966.35	2,016.31
Addition	3.68	171.33	175.01
Balance As at March 31, 2021	**53.64**	**2,137.68**	**2,191.32**
III. Net carrying amount as at 31 March 2021 (I-II)	**316.40**	**7,914.66**	**8,231.06**

Fair value disclosure on Company's investment properties

(i) The Company's investment properties consist of land and building with current rentable area of 4.30 Lakhs sq. ft. Management determined that the investment properties consist of two classes of assets – Land and Building – based on the nature, characteristics and risks of each property.

(ii) As at March 31, 2022 and March 31, 2021, the fair values of the properties are Rs. 18,027.64 Lakhs and Rs. 16,128.11 Lakhs respectively (Level 3). These valuations are based on valuations performed by Purshotam Khandelwal who is registered with an authority which governs the valuers in India and has appropriate qualification and experience in the valuation of properties.

(iii) The Company has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Description of valuation techniques used and key inputs to valuation on investment properties:

Valuation technique- Income Approach Method

	Range (weighted average)	
Significant unobservable Inputs	**As at 31st March, 2022**	As at 31st March, 2021
Annual Rental	**1,621.91**	1,506.66
Less: Repairs & Maintenance & Mgmt Exp, Insurace Etc.15%	**243.29**	253.00
Net Annual Rental	**1,378.62**	1,253.66
Capitalized Net Yield	**10.00%**	10.00%

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Significant unobservable Inputs	Range (weighted average) As at 31st March, 2022	As at 31st March, 2021
Net Annual Income	**13,786.24**	12,536.60
Total Built Up area (Sq Ft area)	**430,672**	430,672
Rented Built Up Area	**362,262**	362,262
Area under Possession MWCJ	**68,410**	68,410
Market Rate /Sq ft Rs. 6,200 yr 2020-21 Rs. 5,780 Yr 2020-21	**4,241.40**	3,591.51
Total Market Value	**18,027.64**	**16,128.11**
Realisable Value	**13,520.73**	12,368.01
Realisable Value (in CR)	**135.21**	123.68
Distress Sale Value	**9,013.82**	8,245.34
Distress Sale Value (In CR)	**90.14**	82.45

Basis of Valuation Method:- Valuation is carried out by income approach method (also called Yield Method) is adopted in which appropriate rate of return is capitalised to reach the market value of the property of the portion rent out and sales comparable method use for the portion under owner Possession.

The depreciation methods used and the useful lives or the depreciation rates used are as per the Accounting policy. Refer notes 1 and 2.

Note No. 6 - Intangible Assets

Carrying Amounts of:	As at 31st March, 2022	As at 31st March, 2021
Other Intangible Assets	–	–

Description of Assets	Computer Software	Total
I. Gross Carrying Amount		
Balance as at 1 April 2021	52.03	52.03
Balance As at March 31, 2022	**52.03**	**52.03**
II. Accumulated depreciation and impairment		
Balance as at 1 April 2021	52.03	52.03
Balance As at March 31, 2022	**52.03**	**52.03**
III. Net carrying amount as at 31 March 2022 (I-II)	–	–

Description of Assets	Computer Software	Total
Intangible Assets		
I. Gross Carrying Amount		
Balance as at 1 April 2020	52.03	52.03
Balance as at 31 March, 2021	52.03	52.03
II. Accumulated depreciation and impairment		
Balance as at 1 April 2020	52.03	52.03
Balance as at 31 March, 2021	**52.03**	**52.03**
III. Net carrying amount as at 31 March, 2021 (I-II)	–	–

Note: The depreciation methods used and the useful lives or the depreciation rates used are as per the Accounting policy. Refer notes 1 and 2.

Note No. 7- Security Deposits

Particulars	As at 31st March, 2022 Current	As at 31st March, 2022 Non- Current	As at 31st March, 2021 Current	As at 31st March, 2021 Non- Current
Security Deposits				
- Unsecured, considered good	–	**118.69**	–	116.90
Total	–	**118.69**	–	116.90

Note No. 8 - Other Financial Assets

Particulars	As at 31st March, 2022 Current	As at 31st March, 2022 Non-Current	As at 31st March, 2021 Current	As at 31st March, 2021 Non-Current
Financial assets at amortised cost				
a) Interest Accrued on deposits	**36.58**	–	0.63	–
b) Fixed Deposits	–	–	–	–
Total	**36.58**	–	0.63	–

Note No. 9 - Other Non - Current Assets

Particulars	As at 31st March, 2022 Current	As at 31st March, 2022 Non-Current	As at 31st March, 2021 Current	As at 31st March, 2021 Non-Current
(a) Capital advances				
(i) For Capital work in progress	–	–	–	–

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	**Non-Current**	Current	Non-Current
(a) Advances other than capital advances				
(i) Balances with government authorities (other than income taxes) ..	**110.38**	**82.91**	95.65	82.91
(ii) Income Tax Assets (Net of provision of Rs. 13,183.86 Lakhs- FY 22: Rs. 9,537.15 Lakhs- FY21)	**–**	**–**		226.50
(iii) Taxes paid under Protest (Refer note 32)	**–**	**406.88**	–	406.88
(iv) Prepaid Expenses	**72.28**	**2.74**	42.21	4.41
(v) Advance to vendors	**254.43**	**–**	258.98	–
(vi) Others*	**0.62**	**–**	18.59	–
Total	**437.71**	**492.53**	415.43	720.70

* Others mainly includes recoverable from vendors and unbilled revenue.

Note No. 10 - Inventories

Particulars	**As at 31st March, 2022**	As at 31st March, 2021
Inventories (Work-in-progress)	**48,393.01**	50,909.84
Total Inventories	**48,393.01**	50,909.84
Included in above:		
Land Cost	**17,817.81**	19,377.24
Development Cost	**30,575.20**	31,532.60
Total	**48,393.01**	50,909.84

(i) The cost of inventories recognised as an expense during the year was Rs. 6,235.36 Lakhs (FY 2020-21: Rs. 1,768.64 Lakhs).

(ii) The carrying amount of inventories is pledged as security for liabilities. Refer Note No. 16 - Borrowings.

(iii) Mode of valuation of inventories is cost or net realisable value, whichever is less. Refer note 2.8.

Note No. 11 - Investments

Particulars	Current	
	As at 31st March, 2022	As at 31st March, 2021
I. Unquoted Investments		
Investments in Mutual Funds	**4,706.63**	–
Total Unquoted Investments	**4,706.63**	–
Investments Carried At FVTPL	**4,706.63**	–
Other disclosures:		
Aggregate amount of Market value of investments	**4,706.63**	–

Refer Note 37 for disclosure of Measurement Requirements as per IND AS 107, 109, 113.

Note No. 12 - Trade Receivables

Rs. in Lakhs

Particulars	Current	
	As at 31st March, 2022	As at 31st March, 2021
Trade receivables		
(a) Trade Receivables considered good– Unsecured	**1,023.40**	734.61
(b) Trade Receivables – credit impaired.	**172.85**	153.81
Less: Allowance for credit losses	**(172.85)**	(153.81)
TOTAL	**1,023.40**	734.61

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

	As at 31st March, 2022		As at 31st March, 2021	
Outstanding for following periods from due date of payment	**Undisputed Trade receivables – considered good**	**Undisputed Trade Receivables – credit impaired**	Undisputed Trade receivables – considered good	Undisputed Trade Receivables – credit impaired
Less than 6 months	**681.16**	**–**	364.29	–
6 months -1 year	**110.73**	**–**	84.62	0.28
1-2 years	**117.54**	**17.69**	172.20	21.14
2-3 years	**109.92**	**4.79**	103.44	4.50
More than 3 years	**3.97**	**150.37**	10.05	127.88
Total	**1,023.32**	**172.85**	734.61	153.81

(i) Trade receivables are dues in respect of services rendered in the normal course of business.

(ii) The average credit period in the range of 7-60 days on service rendered is as per the terms of the service agreement with clients.

Note No. 13 - Cash and Bank Balances

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash and cash equivalents		
(a) Balances with banks	**138.18**	246.71
(b) Cash on hand	**0.75**	0.79
(c) Fixed Deposits with original maturity less than 3 months	**–**	1,100.00
Total Cash and cash equivalents (considered in Cash Flow Statement)	**138.93**	1,347.50
Other Bank Balances		
(a) Earmarked balances with banks (Refer note No. 13 a. below)	**15.45**	14.75
(b) Balances with Banks:		
(i) Fixed Deposits	**5,411.22**	500.00
Total Other Bank balances	**5,426.67**	514.75
Grand Total	**5,565.60**	1,862.25

Note No. 13 a. Fixed deposit is earmarked for availing overdraft facility of Rs. 9.00 Lakhs with State Bank of India. The overdraft facility is unutilised as on March 31, 2022 (Previous year- Nil).

Note No. 14 - Share Capital

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised Share Capital:		
150,000,000 fully paid equity shares of Rs 10 each	**15,000.00**	15,000.00
50,000,000 Preference shares of Rs 10 each	**5,000.00**	5,000.00
Issued, Subscribed and Fully Paid:		
150,000,000 Equity shares of 10 each	**15,000.00**	15,000.00
Total	**15,000.00**	15,000.00

(a) Terms/ rights attached to equity shares:

(i) The Company has only one class of Equity shares having a par value of Rs 10/- per share. Each holder of Equity Shares is entitled to one vote per share and carry right to dividends.

(ii) The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

(iii) Repayment of capital will be in proportion to the number of equity shares held.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

(b) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

Particulars	Opening Balance	Other Changes	Closing Balance
Equity Shares with Voting rights*			
Year Ended 31 March 2022			
No. of Shares	150,000,000	–	150,000,000
Amount	15,000	–	15,000
Year Ended 31 March 2021			
No. of Shares	150,000,000	–	150,000,000
Amount	15,000	–	15,000

- There were no Preference shares issued during the year or outstanding as on 31 March 2022 and 2021.

(c) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/Name of shareholder	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
- Mahindra Lifespace Developers Limited	**111,000,000**	**74%**	111,000,000	74%
- Rajasthan State Industrial Development and Investment Corporation Limited	**39,000,000**	**26%**	39,000,000	26%

(d) Details of shares held by promoters:

Class of shares/ Name of Promoters	Number of shares	% of Total Shares	% Change during the year
As at March 31, 2022			
Equity shares with voting rights			
– Mahindra Lifespace Developers Limited	111,000,000	74%	0%
– Rajasthan State Industrial Development and Investment Corporation Limited	39,000,000	26%	0%
As at March 31, 2021			
Equity shares with voting rights			
– Mahindra Lifespace Developers Limited	111,000,000	74%	0%
– Rajasthan State Industrial Development and Investment Corporation Limited	39,000,000	26%	0%

Note No. 15 (a) - Other Equity

Particulars	As at 31st March, 2022	As at 31st March, 2021
Retained earnings	**21,326.08**	11,535.41
Capital redemption reserve	**5,000.00**	5,000.00
Debenture redemption reserve	**1,563.75**	2,142.69
Total	**27,889.83**	18,678.10

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Note No. 15 (b) - Other Equity

Particulars	**Capital Redemption Reserve**	**Debenture Redemption Reserve**	**Retained Earnings**	**Total**
As at 1 April, 2021	5,000.00	2,142.69	11,535.41	18,678.10
Profit for the year	–	–	13,702.91	13,702.91
Other Comprehensive Income (net of taxes)	–	–	8.82	8.82
Total Comprehensive Income for the year	5,000.00	2,142.69	25,247.14	32,389.83
Dividend paid on Equity Shares	–	–	(4,500.00)	(4,500.00)
Transfers from Debenture Redemption Reserve	–	(578.94)	578.94	–
As at March 31, 2022	**5,000.00**	**1,563.75**	**21,326.08**	**27,889.83**

Particulars	Capital Redemption Reserve	Debenture Redemption Reserve	Retained Earnings	Total
As at 1 April, 2020	5,000.00	2,442.69	7,982.52	15,425.21
Profit for the year	–	–	3,240.91	3,240.91
Other Comprehensive Loss (net of taxes)	–	–	11.98	11.98
Total Comprehensive Income for the year	5,000.00	2,442.69	11,235.41	18,678.10
Transfers from Debenture Redemption Reserve	–	(300.00)	300.00	–
As at March 31, 2021	5,000.00	2,142.69	11,535.41	18,678.10

Capital Redemption Reserve: The Capital Redemption Reserve was created against redemption of Preference Shares.

Debenture Redemption Reserve: A debenture redemption reserve is a provision created against issue of debentures to protect investors against the possibility of default by the company.

Pursuant to Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014 (amended vide notification dated 16th August, 2019), an amount of Rs. 578.94 Lakhs (PY - Rs. 300 Lakhs) being the excess DRR in the books of accounts have been transferred to Retained Earnings.

Retained Earnings: This reserve represents cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.

Note No. 16 - Borrowings

Particulars	**As at 31st March, 2022**	As at 31st March, 2021
A. Non- Current Borrowings		
Measured at amortised cost		
Unsecured Borrowings:		
- Other Loans- Refer note 16 A-I	**15,480.03**	21,025.96
Total Unsecured Borrowings	**15,480.03**	21,025.96
Total Non- Current Borrowings	**15,480.03**	21,025.96
B. Short Term Borrowings		
Secured Borrowings		
Loans repayable on demand		
- From Banks	**50.07**	393.06
Total Secured Short Term Borrowings	**50.07**	393.06
Total Short Term Borrowings	**50.07**	393.06

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Summary of Borrowing Arrangements:

Note - 16 A - I. The Company has issued, on 5th July' 2018 - unsecured, unlisted, redeemable, non-convertible debentures as below:-

Particulars	Series 1A	Series 1B	Series B	Total
Face Value (Rs.)	100.00	100.00	100.00	
No. of Debentures	6,622,870	12,856,160	1,947,903	**21,426,933**
Total Face Value (Value in Lakhs)	6,622.87	12,856.16	1,947.90	**21,426.93**
Discount on issue	10%	10%	Nil	**Nil**
Total Issue Value (Value in Lakhs)	**5,960.59**	**11,570.54**	**1,947.90**	**19,479.03**

The key terms series 1A are as below:

(a) Coupon on each Series 1A Debenture shall accrue on a quarterly basis at the end of each quarter of a Financial Year, and shall become due and payable to the holders of Series 1A Debentures quarterly subject to availability of Distributable Cash as determined by Distribution committee. The Company shall redeem the relevant Series 1A Debentures in the in accordance with the Distribution Waterfall and Distribution Waterfall Mechanism.

The key terms series 1B are as below:

(a) Coupon on each Series 1B Debenture shall accrue on a quarterly basis at the end of each quarter of a Financial Year, and shall become due and payable to the holders of Series 1B Debentures quarterly subject to availability of Distributable Cash as determined by Distribution committee. The Company shall redeem the relevant Series 1B Debentures in the in accordance with the Distribution Waterfall and Distribution Waterfall Mechanism.

The key terms series B are as below:

(a) Coupon on each Series B Debenture shall accrue on a quarterly basis at the end of each quarter of a Financial Year, and shall become due and payable to the holders of Series B Debentures quarterly subject to availability of Distributable Cash as determined by Distribution committee. The Company shall redeem the relevant Series B Debentures in the in accordance with the Distribution Waterfall and Distribution Waterfall Mechanism.

Non- Current Borrowings Oustanding Summary

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non- Convertible Debentures- IFC Refer Note - 14 A- II	**15,480.03**	21,025.96
Total	**15,480.03**	21,025.96

Note - 16 B. The cash credit facility carries interest rate in the range of 7.70% p.a. to 9.20% p.a. and is secured against trade receivables.

Note No. 17 - Other Financial Liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
Other Financial Liabilities Measured at Amortised Cost		
Non-Current		
(a) Security Deposits	**2.67**	3.08
Total Non Current Other financial liabilities measured at amortised cost	**2.67**	3.08
Current		
a) Interest Accrued but not due (Note - 16 A- I)	**1,381.09**	3,454.29
b) Other liabilities		
(1) Capital Creditors	**46.04**	46.04
(2) Security Deposits from lessees	**2,614.29**	1,267.91
(3) Others	**35.77**	36.16
Total Current Other financial liabilities measured at amortised cost	**4,077.19**	4,804.40
Total other financial liabilities	**4,079.86**	4,807.48

Note No. 18 - Provisions

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	**Non-Current**	Current	Non-Current
(a) Provision for employee benefits				
- Gratuity	**1.10**	**60.00**	1.22	66.54
- Leave encashment	**0.74**	**27.21**	1.17	42.91
(b) Other Provisions				
(1) Provision for cost of sale	**1,092.47**	**4,782.47**	1,655.00	2,495.21
Total Provisions	**1,094.31**	**4,869.68**	1,657.39	2,604.66

Note- 18 a. The Other Provisions are not subject to discounting, considering no fixed timeline to incur cash outflow.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Note No. 19: Deferred Tax Liabilities (Net)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred Tax Liabilities	**2,104.33**	2,052.04
Deferred Tax Assets	**(43.13)**	(703.27)
Total	**2,061.20**	1,348.77

(i) Movement in deferred tax balances

Particulars	For the Year ended 31st March, 2022		
	Opening Balance	**For the year**	**Closing Balance**
Tax effect of items constituting deferred tax liabilities			
Property, Plant and Equipment	**2,052.04**	**52.29**	**2,104.33**
Others	**–**	**–**	**–**
(A)	**2,052.04**	**52.29**	**2,104.33**
Tax effect of items constituting deferred tax assets			
Provisions for Leave Encashment & Gratuity	**32.57**	**(6.64)**	**25.93**
Provision for Doubtful Debts	**44.79**	**(28.80)**	**15.99**
Minimum Alternate Credit Entitlement	**619.19**	**(619.19)**	**–**
Other Items	**6.72**	**(5.51)**	**1.21**
(B)	**703.27**	**(660.14)**	**43.13**
Net Tax Liabilities (A - B)	**1,348.77**	**712.43**	**2,061.20**

Particulars	For the year ended March 31, 2021		
	Opening Balance	For the year	Closing Balance
Tax effect of items constituting deferred tax liabilities			
Property, Plant and Equipment	1,993.04	59.00	2,052.04
Others	1.30	(1.30)	–
(A)	1,994.34	57.70	2,052.04
Tax effect of items constituting deferred tax assets			
Provisions for Leave Encashment & Grautuity	42.51	(9.94)	32.57
Provision for Doubtful Debts	–	44.79	44.79
Minimum Alternate Credit Entitlement	649.56	(30.37)	619.19
Other Items	0.02	6.70	6.72
(B)	692.09	11.18	703.27
Net Tax Liabilities (A - B)	1,302.25	46.52	1,348.77

* Deferred tax (Charge) / Credit recognised in Other comprehensive income on Remeasurements of the defined benefit plans is Rs -3.62 Lakhs (Previous Year-Rs 4.92 Lakhs).

Note No. 20 - Other Liabilities

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Current	**Non-Current**	Current	Non-Current
a. Advances received from customers	**1,174.43**	**–**	1,174.43	–
b. Statutory dues				
- taxes payable (other than income taxes)	**37.64**	**–**	23.99	–
- Income Tax Liability	**363.20**			
c. Others*	**11.43**	**938.93**	10.30	854.59
TOTAL OTHER LIABILITIES	**1,586.70**	**938.93**	1,208.72	854.59

* Others represent the rent free deposits received from customers.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Note No. 21 - Trade Payables

Particulars	As at 31st March, 2022	As at 31st March, 2022
Trade payable - Micro and small enterprises - Refer Note no.- 33	**28.67**	3.09
Trade payable - Other than micro and small enterprises	**1,243.86**	1,166.32
Total trade payables	**1,272.53**	1,169.41

As at March 31, 2022

Outstanding for following periods	MSME	Others	Disputed dues – MSME	Disputed dues - Others
Less than 1 year	**28.67**	**728.09**	–	–
1-2 years	–	**5.86**	–	–
2-3 years	–	**40.34**	–	–
More than 3 years	–	**448.38**	–	–
Total	**28.67**	**1,222.67**	–	–

As at March 31, 2021

Outstanding for following periods	MSME	Others	Disputed dues – MSME	Disputed dues - Others
Less than 1 year	2.75	587.94	–	–
1-2 years	0.34	47.06	–	–
2-3 years	–	85.41	–	–
More than 3 years	–	445.91	–	–
Total	**3.09**	**1,166.32**	–	–

- Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.
- The average credit period in the range of 0-60 days on goods/service received is as per the terms of the agreement with vendors.
- The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note No. 22 - Revenue from Operations

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Revenue from rendering of services:		
(i) Land Lease Premium	**25,057.83**	6,957.11
(ii) Property Rentals- eVolve	**1,616.93**	1,626.88
(iii) Income from Operation and Maintenance	**2,366.25**	2,369.07
(iv) Others	**62.33**	121.27
Total Revenue from Operations	**29,103.34**	11,074.33

22. (a) During the year, the company has leased 94.96 (previous year 28.78) acres of land on long term basis. Of this 12.39 (previous year 11.56) acres in Special Economic Zone (SEZ) and 82.57 (previous year 17.22) acres is in the Non Special economic Zone (Non SEZ).

22. (b) Others represent transfer fee towards transfer of plot by clients.

Note No. 23 - Other Income

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a) Interest Income		
(1) Interest on Bank Deposits	**103.32**	27.47
(b) Net gain/(loss) arising on financial assets designated as at FVTPL	**6.63**	–
(c) Miscellaneous Income *	**35.86**	0.08
Total Other Income	**145.81**	27.55

* Miscellaneous income represents provision for bad and doubtful debts written back for year ended March 31, 2022 and profit on sale of property, plant and equipment for the year ended March 31, 2021 respectively.

Note No. 24 - Cost of Projects

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Cost of Projects:		
Opening Stock:		
Work-in-progress	**50,909.84**	50,012.26
Sub-Total (a)	**50,909.84**	50,012.26
Add: Expenses incurred during the year		
Civil, Electrical, Contracting etc.	**1,929.47**	541.01
Finance Costs	**1,596.75**	1,894.91
Overheads allocated *	**192.31**	230.30
Sub-Total (b)	**3,718.53**	2,666.22
Less: Closing Stock:		
Work in progress	**48,393.01**	50,909.84
Sub-Total (c)	**48,393.01**	50,909.84
Total (a+b-c)	**6,235.36**	1,768.64

* Overheads represent manpower and admin expenses inventorised.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Note No. 25 - Operation & Maintenance expenses

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a) Site Electricity & Diesel Expenses	165.08	165.07
(b) Repairs & Maintenance Expenses	346.52	262.39
(c) Security Charges	223.44	198.33
(d) Landscaping/ Water Charges	526.17	503.39
(e) Cleaning/ Housekeeping Charges	336.33	312.91
(f) Organization Expenses	68.87	60.38
(g) Insurance Expenses	19.89	29.21
(h) Legal & Professional Fees	0.31	0.01
(i) Rates & Taxes	1.16	6.18
(j) Other Miscellaneous Expenses	20.38	17.08
Total Operation and Maintenance Expense	**1,708.15**	1,554.95

Note No. 26 - Employee Benefits Expense

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a) Salaries and wages, including bonus*	530.32	542.80
(b) Contribution to provident and other funds	39.36	41.41
(c) Staff welfare expenses	9.54	1.95
Total Employee Benefits Expense	**579.22**	586.16
Less : Allocated to projects	(192.24)	(227.16)
Total Net Employee Benefits Expense	**386.98**	359.00

* Includes cost for Employee Stock Options of Mahindra Lifespaces Developers Limited issued to employees of the Company aggregating to Rs. 13.86 Lakhs (Previous Years-Rs. 3.52 Lakhs).

Note No. 27 - Finance Costs

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a) Interest expense	3,180.87	3,900.66
(b) Other borrowing costs	0.89	1.59
(c) Other interest costs	38.96	161.82
Total finance costs	**3,220.72**	4,064.07
Less : Allocated to projects	(1,596.75)	(1,894.91)
Total finance costs	**1,623.97**	2,169.16

27 a. The interest is inventorised on borrowings referred to in Note- 16- A I. and in the ratio of undeveloped inventory to the total inventory.

27 b. Borrowing cost allocated to projects refers to interest on borrowings in note - 16- A -I.

27 c. The Other interest cost includes reversal of interest on cash credit Limit utilisation of Rs. -0.75 Lakhs for the year ended March 31, 2022 (Previous year expense- Rs. 157.63 Lakhs).

Note No. 28 - Other Expenses

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a) Rent including lease rentals	10.72	11.55
(b) Rates and taxes	2.84	2.91
(c) Insurance	24.16	20.02
(d) Repairs and Maintenance- Others	23.44	21.44
(e) Power and Fuel	8.89	11.63
(f) Travelling & Conveyance	23.44	2.85
(g) Legal & Professional Fees	39.26	46.36
(h) Printing & Stationery	3.64	2.07
(i) Communication	6.44	7.27
(j) Advertisement, Marketing & Business Development	283.05	160.47
(k) Auditors Remuneration (refer note no. 28 (a))	17.93	17.93
(l) Expenditure on Corporate Social Responsibility (refer note no. 28 (b))	85.02	86.02
(m) Provision for Doubtful Debts	54.90	153.81
(n) Development Management Fees	116.52	65.79
(o) Miscellaneous Expenses	29.30	74.86
Total Gross Other Expenses	**729.55**	684.98
Less : Allocated to projects/Capitalised	**(0.07)**	(3.14)
Total Net Other Expenses	**729.48**	681.84

Note No. 28 (a) - Auditors Remuneration

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Payments to the auditors comprises:		
- For audit including limited reviews	15.05	15.05
- Certifications	2.80	2.80
- Reimbursement of expenses	0.08	0.08
Total	**17.93**	17.93

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Note No. 28.b - CORPORATE SOCIAL RESPONSIBILITY (CSR)

Nature of CSR activities	Education	Health	Environment	Group CSR Activities	Others	Total
Amount required to be spent by the Company during the year	14.00	8.56	8.46	25.00	29.00	85.02
Amount of expenditure incurred	14.00	8.56	8.46	25.00	29.00	85.02
Shortfall at the end of the year	–	–	–	–	–	–
Total of previous years shortfall	–	–	–	–	–	–
Reason for shortfall	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Details of related party transactions	N.A.	N.A.	N.A.	12.81	N.A.	N.A.
Provision	–	–	–	–	–	–

Note No. 28.c -Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	31st March 2022	31st March 2021	Variance (%)
Current Ratio	Current Assets	Current Liabilities	7.45	5.84	27%
Debt Equity Ratio	Debt	Equity	0.36	0.64	-43%
Debt Service Coverage Ratio (DSCR)	EBITDA[1]	Debt Service[2]	1.18	0.29	312%
Return of Equity	Profit after tax	Net worth	31.95%	9.62%	232%
Inventory Turnover ratio	Cost of Sales[3]	Average Inventory	0.16	0.07	143%
Trade Receivables turnover ratio	Turnover	Average Trade Receivables	33.11	6.46	413%
Trade Payable turnover ratio	Cost of Sales[3]	Average Trade Payable	6.51	2.54	156%
Net capital turnover ratio	Average Net worth	Turnover	1.32	2.89	-41%
Net profit ratio	PAT	Revenue	47.08%	29.27%	61%
Return on Capital employed	PAT	Capital employed[4]	25.46%	6.06%	261%

Notes:

1. Earnings before interest, tax, depreciation and amortisation.
2. Debt service= Current Borrowings + Non- Current borrowings + Interest charged to statement of profit and loss.
3. Refer note 24 & 25.
4. Capital employed= Net Worth + Current Borrowings + Non- Current Borrowings.

Note No. 29 - Current Tax and Deferred Tax

Income Tax recognised in profit or loss

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current Tax:		
In respect of current year	**4,265.90**	766.76
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	**89.62**	11.23
Total income tax expense on continuing operations	**4,355.52**	777.99

The total Income tax computation to be reconciled with your book profit.

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit before Tax	**18,058.43**	4,018.90
Income Tax @ 29.12% for the year	**5,258.61**	1,170.30
Effect of expenses that is non-deductible in determining taxable profit:		
CSR Expense (net of deduction u/s 80G allowed)	**19.28**	21.26
Deduction u/s 80IAB	**(978.71)**	(404.30)
Provision for doubtful debts	**15.99**	–

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Advance Tax	**11.50**	–
Others	**28.85**	(9.27)
Total	**4,355.52**	777.99
Income tax expense recognised in statement of profit and loss	**4,355.52**	777.99

Note No. 30 - Earnings per Share

Basic earnings per share

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

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit for the year attributable to owners of the Company	**13,702.91**	3,240.91
Weighted average number of equity shares (No.s)	**150,000,000**	150,000,000
Basic and diluted earnings per share (In rupees per share) of Face Value- Rs. 10 Per Share	**9.14**	2.16

Note No. 31 - Segment information

The Company operates in only one business segment, i.e. 'lease of land and properties constructed thereon' based on the nature of the services and products, the risks and returns etc. This has been determined in a manner consistent with the internal reporting provided to the Chief Executive Officer of the Company who are regarded as Chief Operating Decision Maker ("CODM"). The Company operates only in India and considering that the conditions prevailing in India being uniform, no separate geographical disclosure within India is considered necessary.

Note No. 32 - Contingent liabilities and commitments

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Contingent liabilities (to the extent not provided for)		
(a) Other Matters disputed:		
Shahri Jamabandi (Urban Assessment/Ground rent demanded by Jaipur Development Authority, Government of Rajasthan)	**32,179.39**	32,179.39
Note: The above amount is based on demand raised, which the Company is contesting with the concerned authorities. Outflows, if any, arising out of this claim would depend on the outcome of the decision of the appellate authorities and Company's rights for future appeals. No reimbursements are expected.		
(b) Other money for which the Company is contingently liable (Income Tax Matter under appeal)	**32.16**	32.16

Note No. 33 - Disclosures required under Section 22 of the Micro Small and Medium Enterprises Development Act 2006

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Dues remaining unpaid	**28.67**	3.09
- Principal	**28.67**	3.09
- Interest	**–**	–

(i) Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

(ii) There are no overdue amounts any time during the year and hence no interest amount is due or paid during the year.

Note No. 34 - Leases

The Company has not applied the requirement of IND AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. Amount recognised in statement of Profit and Loss Account is Rs. 10.72 Lakhs (PY - Rs. 11.55 Lakhs).

Note No. 35 - Employee benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund aggregating Rs. 23.39 lakhs (31st March, 2021 : Rs. 21.04 lakhs) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

A decrease in the bond interest rate will increase the plan liability

Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at 31st March, 2022	Valuation as at 31st March, 2021
Discount rate(s)	**7.35%**	6.70%
Expected rate(s) of salary increase	**9.00%**	9.00%
Attrition Rate	**5.00%**	5.00%
Average Longevity	**IALM (2012-14) Ultimate**	IALM (2012-14) Ultimate

Retirement age is considered to be 60 years.

Defined benefit plans (unfunded) – As per Actuarial Valuation

Particulars	Defined Benefit Plan (Unfunded) Gratuity 31st March, 2022	Defined Benefit Plan (Unfunded) Gratuity 31st March, 2021
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Current Service Cost	**11.47**	15.08
Net interest expense	**4.50**	5.30
Components of defined benefit costs recognised in profit or loss	**15.97**	20.38
Actuarial (Gain)/Loss on obligation	**(12.44)**	(16.90)
Components of defined benefit costs recognised in other comprehensive income	**(12.44)**	(16.90)
Total	**3.53**	3.48
I. Net Asset/(Liability) recognised in the Balance Sheet as at March 31		
1. Present value of defined benefit obligation as at 31 March	**61.10**	67.76
2. Surplus/(Deficit)	**(61.10)**	(67.76)
3. Current portion of the above	**1.10**	1.22
4. Non current portion of the above	**60.00**	66.54
II. Change in the obligation during the year ended March 31		
1. Present value of defined benefit obligation at the beginning of the year	**67.76**	79.18
2. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	**11.47**	15.08
- Interest Expense (Income)	**4.50**	5.30
3. Recognised in Other Comprehensive Income		
Remeasurement gains/(losses):		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	**–**	–
ii. Financial Assumptions	**(5.07)**	0.60
iii. Experience Adjustments	**(7.37)**	(17.50)
4. Benefit payments	**(10.19)**	(14.90)
5. Present value of defined benefit obligation at the end of the year	**61.10**	67.76

The sensitivity of the defined benefit obligation to changes by in the weighted principal assumptions is:

Principal assumptions	Year	Impact on defined benefit obligation: Increase in assumption by 1%	Impact on defined benefit obligation: Decrease in assumption by 1%
Discount rate	**2022**	**54.27**	**69.14**
	2021	59.82	77.13
Salary growth rate	**2022**	**68.90**	**54.34**
	2021	76.49	59.94

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous period.

Maturity profile of defined benefit obligation:	**March 31, 2022**	March 31, 2021
Within 1 year	**0.94**	1.22
1 - 2 year	**1.13**	0.99
2 - 3 year	**1.20**	1.03
3 - 4 year	**0.83**	1.00
4 - 5 year	**0.91**	0.73
5 - 10 years	**27.21**	26.65

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Note No. 36 - Related Party Transactions

Description of relationship	Names of related parties	Description of relationship	Names of related parties
Entities having joint control/ significant influence over Company	Mahindra & Mahindra Limited Mahindra Lifespace Developers Limited Rajasthan State Industrial Development and Investment Corporation Limited	**Fellow Subsidiaries (Note 1)**	Mahindra World City Developers Limited Mahindra Integrated Business Solutions Private Limited Mahindra Susten Private Limited Mahindra EPC Irrigation Industries Ltd Mahindra Defence Systems Limited Mahindra Industrial Park Private Limited Mahindra Logistics Limited Meru Mobility tech Pvt. Ltd.
Key Management Personnel (KMP)	Mr. Sanjay Srivastava - Chief Executive Officer - Till 14-08-2020 Mr. Suhas Kulkarni - Chief Executive Officer - From 18-01-2021 To 31-12-2021 Mr. Asfar Khan - Chief Financial Officer Ms. Bijal Parmar - Company Secretary	**Associate of Ultimate Holding Company**	Tech Mahindra Limited

Details of transaction between the Company and its related parties are disclosed below:

Nature of transactions with Related Parties	For the year ended	Mahindra & Mahindra Limited	Mahindra Lifespace Developers Limited	Rajasthan State Industrial Develop-ment and Investment Corporation Limited	Mahindra Integrated Business Solutions Private Limited	Mahindra Susten Private Limited	Mahindra Logistics Limited	Tech Mahindra Limited	Mahindra Defence Systems Limited	Mahindra World City Developers Limited	Meru Mobility Tech Pvt. Ltd.	Mahindra EPC Irrigation Industries Ltd	Mr. Sanjay Srivastava
Rendering of services	31-Mar-22	46.52	–	–	–	–	22.84	–	–	–	–	–	–
	31-Mar-21	37.10	–	–	–	–	18.35	0.06	0.06	–	–	–	–
Receiving of services	31-Mar-22	23.79	166.42	–	1.30	–	–	–	–	0.18	6.73	1.23	–
	31-Mar-21	21.90	91.53	–	2.88	–	–	–	–	–	–	1.60	–
Finance arrangements:													
Interest on Inter Corporate Deposits	31-Mar-22	–	–	–	–	–	–	–	–	–	–	–	–
	31-Mar-21	0.10	38.80	–	–	–	–	–	–	–	–	–	–
Reimbursement made to parties	31-Mar-22	0.10	–	–	–	–	–	–	–	–	–	–	–
	31-Mar-21	1.14	–	–	–	–	–	–	–	–	–	–	–
Remuneration	31-Mar-22	–	–	–	–	–	–	–	–	–	–	–	
	31-Mar-21	–	–	–	–	–	–	–	–	–	–	–	103.78
Equity Shares Dividend Paid	31-Mar-22	–	3,330.00	1,170.00	–	–	–	–	–	–	–	–	–
	31-Mar-21	–	–	–	–	–	–	–	–	–	–	–	–

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Particulars	Balance as on	Mahindra & Mahindra Limited	Mahindra Lifespace Developers Limited	Rajasthan State Industrial Develop-ment and Investment Corporation Limited	Mahindra Integrated Business Solutions Private Limited	Mahindra Susten Private Limited	Mahindra Logistics Limited	Tech Mahindra Limited	Mahindra Defence Systems Limited	Mahindra World City Developers Limited	Meru Mobility Tech Pvt. Ltd.	EPC Industries Ltd	Mr. Sanjay Srivastava
Trade payables	31-Mar-22	–	84.38	–	0.18	–	–	–	–	–	–	1.58	–
	31-Mar-21	3.21	62.66	–	0.17	–	–	–	–	–	–	15.17	–
Loans & advances taken (MOU Advance)	31-Mar-22	–	–	–	–	–	–	570.00	–	–	–	–	–
	31-Mar-21	–	–	–	–	–	–	570.00	–	–	–	–	–
Trade Receivable	31-Mar-22	–	–	–	–	0.12	0.56	0.41	–	–	–	–	–
	31-Mar-21	6.72	19.38	–	–	0.12	7.01	0.42	–	–	–	–	–
Deposits Payables	31-Mar-22	8.40	–	–	–	–	–	–	–	–	–	–	–
	31-Mar-21	8.40	–	–	–	–	–	–	–	–	–	–	–
Advance / Deposit to Vendor	31-Mar-22	–	–	254.86	–	–	–	–	–	–	–	–	–
	31-Mar-21	–	–	254.86	–	–	–	–	–	–	–	–	–

Note:
1. Fellow subsidiaries mentioned with which the Company has transactions during the current year or previous year.
2. As the liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management Personnel is not ascertained separately, and therefore, not included above.

Note No. 37 - Fair Value Measurement

Fair value of financial assets and financial liabilities that are not measured at fair value

Particulars	**31st March, 2022**		31st March, 2021	
	Carrying amount	**Fair value**	Carrying amount	Fair value
Financial assets				
Financial assets carried at Amortised Cost:				
- investments in debt instruments	**4,706.63**	**4,706.63**		
- Trade Receivables	**1,023.40**	**1,023.40**	734.61	734.61
- Cash and Cash Equivalents	**138.93**	**138.93**	1,347.50	1,347.50
- Other Bank Balances	**5,426.67**	**5,426.67**	514.75	514.75
- Loans	**118.69**	**118.69**	116.90	116.90
- Other Financial Assets	**36.58**	**36.58**	0.63	0.63
Total financial assets	**11,450.90**	**11,450.90**	2,714.39	2,714.39
Financial liabilities				
Financial liabilities held at amortised cost:				
- Long term Borrowings-NCDs	**15,480.03**	**15,480.03**	21,025.96	21,025.96
- Short term Borrowings-From Banks	**50.07**	**50.07**	393.06	393.06
- Current Maturities-NCDs	**–**	**–**	–	–
- Trade Payables	**1,272.53**	**1,272.53**	1,169.41	1,169.41
- Other Financial Liabilities	**4,079.86**	**4,079.86**	4,807.48	4,807.48
Total	**20,882.49**	**20,882.49**	27,395.91	27,395.91

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Fair value hierarchy as at 31st March, 2022	Level 1	Level 2	Level 3	Rs. in Lakhs Total
Financial assets				
Financial assets carried at Amortised Cost:				
- Trade Receivables	–	1,023.40	–	1,023.40
- Cash and Cash Equivalents	–	138.93	–	138.93
- Other Bank Balances	–	5,426.67	–	5,426.67
- Loans	–	118.69	–	118.69
- Other Financial Assets	–	36.58	–	36.58
Total	–	6,744.27	–	6,744.27
Financial liabilities				
Financial Liabilities carried at amortised cost:				
- Long term Borrowings-NCDs	–	15,480.03	–	15,480.03
- Short term Borrowings-From Banks		50.07	–	50.07
- Current Maturities-NCDs		–	–	–
- Trade Payables	–	1,272.53	–	1,272.53
- Other Financial Liabilities	–	4,079.86	–	4,079.86
Total	–	20,882.49	–	20,882.49

Fair value hierarchy as at 31st March, 2021	Level 1	Level 2	Level 3	Rs. in Lakhs Total
Financial assets				
Financial assets carried at Amortised Cost:				
- Trade Receivables	–	734.61	–	734.61
- Cash and Cash Equivalents	–	1,347.50	–	1,347.50
- Other Bank Balances	–	514.75	–	514.75
- Loans	–	116.90	–	116.90
- Other Financial Assets	–	0.63	–	0.63
Total	–	2,714.39	–	2,714.39
Financial liabilities				
Financial Liabilities carried at amortised cost:				
- Long term Borrowings-NCDs	–	21,025.96	–	21,025.96
- Short term Borrowings-From Banks		393.06	–	393.06
- Current Maturities-NCDs		–	–	–
- Trade Payables	–	1,169.41	–	1,169.41
- Other Financial Liabilities	–	4,807.48	–	4,807.48
Total	–	27,395.91	–	27,395.91

The fair values of the financial assets and financial liabilities included in the level 2 category above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Note No. 38 - Financial Instruments

Capital management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary. There is no change in the overall capital risk management strategy of the Company compared to last year.

The Company is not subject to externally enforced capital regulation.

Debt-to-equity ratio as of 31 March 2022 and 31 March 2021 is as follows:

	31st March, 2022	31st March, 2021
Debt (A)*	**15,530.10**	21,419.02
Equity (B)	**42,889.83**	33,678.10
Debt Equity Ratio (A/B)	**0.36**	0.64

* Debt includes Borrowings (Note No. 16 - Borrowings).

Categories of financial assets and financial liabilities

As at 31st March, 2022

Particulars	**Amortised Costs**	**FVTPL**	**FVOCI**	**Total**
Non-current Assets				
Loans	118.69			118.69
Current Assets				
Trade Receivables	1,023.40			1,023.40
Cash and Cash Equivalents	138.93			138.93
Other Bank Balances	5,426.67			5,426.67
Other Financial Assets				
- Non Derivative Financial Assets	36.58			36.58
Non-current Liabilities				
Borrowings	15,480.03			15,480.03
Other Financial Liabilities				
- Non Derivative Financial Liabilities	2.67			2.67
Current Liabilities				
Borrowings	50.07			50.07
Trade Payables	1,272.53			1,272.53
Other Financial Liabilities				
- Non Derivative Financial Liabilities	4,077.19			4,077.19

As at 31st March, 2021

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Loans	116.90			116.90
Current Assets				
Trade Receivables	734.61			734.61
Cash and Cash Equivalents	1,347.50			1,347.50
Other Bank Balances	514.75			514.75
Loans				
- Non Derivative Financial Assets	0.63			0.63
Non-current Liabilities				
Borrowings	21,025.96			21,025.96
Other Financial Liabilities				
- Non Derivative Financial Liabilities	3.08			3.08
Current Liabilities				
Borrowings	393.06			393.06
Trade Payables	1,169.41			1,169.41
Other Financial Liabilities				
– Non Derivative Financial Liabilities	4,804.40			4,804.40

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

CREDIT RISK

(i) Credit risk management

Credit risk arises when a counter party defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company enteres into an agreement with each customer. The agreement has a termination clause by which the Company can terminate the agreement and secure the receivable. The trade redeivables are also reviewed by the Management regularly and necessary actions are taken in order to collect any amount outstanding from customers. Being a Develper, a unit needs certain NOC and permission in respect of commencement and operation of the business and as per the agreement signed with customer, the developer gives the required NOC and permission after clearing the outstanding dues alongwith interest.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Customer creditibility is researched before leasing the land to ensure only credit worthiness of the clients.

The credit risk on liquid funds is limited because the counterparties are banks and debt mutual funds with high credit-ratings assigned.

LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Less than 1 Year	1 Year to 3 Years	3 Years to 5 Years	More than 5 years
Non-derivative financial liabilities				
31-Mar-22				
Non-interest bearing	2,696.10	–	–	*938.93
Trade payable	1,272.53	–	–	–
Loans repayable on demand from Bank	50.07	–	–	–
Fixed interest rate instruments				
Redeemable Non Convertible Debentures (Including interest accrued)	1,381.09	15,480.03	–	–
Total	**5,399.79**	**15,480.03**	**–**	**938.93**
31-Mar-21				
Non-interest bearing	1,350.11	–	–	*854.59
Trade payable	1,169.41	–	–	–
Loans repayable on demand from Bank	393.06	–	–	–
Fixed interest rate instruments				
Redeemable Non Convertible Debentures (Including interest accrued)	3,454.29	21,025.96	–	–
Total	**6,366.87**	**21,025.96**	**–**	**854.59**

* Security deposit payable on 17th August, 2105

Note No. 39 - Disclosure Of Struck Off Companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Note No. 40 - COVID-19 Impact analysis

The management assessed the Company's future projections in light of the developments due to COVID 19 situation and has reassessed the impact that it may cause on the Company's financial and operational performance . The business activities were only temporarily suspended owing to initial lock down during the year. Post the lifting of the lock down, the activities have commenced in a regular manner. The Company has credit and term loan facilities available to meet the project costs and pay off the vendors and bankers in the immediate 12 months from the date of approval of these financial statements. The Company expects no additional inflow of capital towards currently planned development. Based on the above assessment, the management is of the view that company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

Note No. 41 - Dividend

In respect of the current year, the Board at its meeting held on April 22, 2022 has recommended a dividend of Rs. 3.50 per share on equity shares of Rs. 10 each subject to approval by shareholders at the Annual General Meeting. The same has not been included as a liability in these financial statements. The proposed equity dividend is payable to all shareholders on the Register of Members on book closure date. The total estimated equity dividend to be paid is Rs. 5,250 lakhs.

Note No. 42 - Expenditure on Corporate Social Responsibility (CSR)

Gross Amount required to be spent by the company for the year ended 31st March, 2022 (as certified by the Company) : Rs. 85.02 Lakhs (Previous Year Rs. 86.02 lakhs).

Note No. 43 - Events after the reporting period

No material events have occurred after the Balance Sheet date and upto the approval of financial statements.

Note No. 44 - Previous Year Figures

The figures of previous years have been regrouped/reclassified wherever necessary to conform to current year's grouping/classification.

For and on behalf of the Board of Directors

Arvind Subramanian Director	Arun Nanda Director
DIN No.: 02551935	DIN No.: 00010029
Chief Financial Officer	Company Secretary
Place: Jaipur Date: April 22, 2022	Membership No.: 32339

INDEPENDENT AUDITORS' REPORT

To the Members of
Mahindra Integrated Township Limited

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Mahindra Integrated Township Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, of its profit and total comprehensive income, its cash flows and its changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No	Key Audit Matters	How our audit addressed the Key Audit Matter
1	Assessment of recognition of MAT credit (Refer Note 4b to the financial statements.) The Company has recognised MAT credit of Rs.1242 Lakhs. These assets have been recognised on the basis of the Company's assessment of availability of future taxable profit to offset such tax losses based on business projections for the next three years. The recoverability of the deferred tax assets / MAT credit depends upon factors such as the projected taxable profitability of business and the period considered for such projections, the rate at which those profits will be taxed and the period over which tax losses will be available for recovery. This was considered as a key audit matter as the amount is material to the financial statements and significant judgement in key assumptions was required by the Company's Management in the preparation of forecasts of future taxable profits based on the underlying business plans.	Principal audit procedure performed: Evaluation of the design and testing operating effectiveness of Company's controls relating to taxation and the assessment of carrying amount of deferred tax assets relating to unabsorbed tax losses and MAT credit. • Assessing the reasonableness of the period of projections used in the deferred tax asset recoverability assessment. • Comparing the Company's performance for the year with the approved budget to assess the reasonableness of the assumptions.

Information Other than the Standalone Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report and the related annexures, but does not include the Standalone Financial Statements and our Auditors' Report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of management for the Standalone 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 the 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 auditors' report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, 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 including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account.

    (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.

    (g) In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year and hence provisions of Section 197 of the Companies Act, 2013 are not applicable.

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

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

        (ii) The Company does not have any long-term contracts which has any material foreseeable losses. The Company does not have any derivative contracts.

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

        (iv) The management of the Company have represented to us respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

        (v) The management of the Company is represented to us that, to the best of their knowledge and belief, no funds have been received by the Company or any of such subsidiaries from any person(s) or entity(ies) including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(vi) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us nothing has come to our notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

(vii) The Company has not declared any dividend during the year.

For **B. K. Khare & Co.**
Chartered Accountants
(Firm's Registration Number 105102W)

Aniruddha Joshi
Partner
Membership No. 040852
UDIN: 22040852AHOSPK7137

Place: Mumbai
Date: April 22, 2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Financial Statements of Mahindra Integrated Township Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements 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 and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, 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.

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.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Because of the inherent limitations of internal financial controls with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2022, based on the criteria for internal financial control with reference to Standalone Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852
UDIN: 22040852AHOSPK7137

Place: Mumbai
Date: April 22, 2022

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(b) Most of the property, plant and equipment were physically verified during the year by the management in accordance with a regular programme of verification, which, in our opinion, provides for physical verification of all the property, plant and equipment and investment properties at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have any immoveable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment during the year.

(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are done at reasonable intervals and no material discrepancies were noticed on physical verification. In case of inventory of construction materials lying with vendor at sites, certificates confirming the inventory have been received of the stock held at the balance sheet date.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from HDFC Bank Limited on the basis of security of current asset during the year. The Cashflow Statement of filed by the Company with HDFC Bank Limited on a quarterly basis are in agreement with the unaudited books of account as certified by the management.

(iii) (a) According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to loans granted, guarantees provided and investments made by the Company. The Company has not provided any security during the year to the parties covered under Sections 185 and 186 of the Act.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, where applicable. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under subsection (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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

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

(b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Goods and Services Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(c) There are no dues of Income-tax and Goods and Services Tax as on March 31, 2022 which have not been deposited on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of books and records of the Company, the Company has not defaulted in the repayment of loans or borrowings to banks and debenture holders. The Company has not taken any loans or borrowings from financial institutions and Government.

(b) In our opinion and according to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) In our opinion and according to the information and explanations given to us, the company has not raised any money by way of term loans during the year. Hence, reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long-term purposes as at the Balance Sheet date.

(e) In our opinion and according to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) In our opinion and according to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

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

(b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures, specified under Section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the Internal Audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or directors of its holding company, subsidiary company or persons connected with them and hence provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year. However, The Company has incurred cash losses of Rs.298 Lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, CSR is not applicable to the Company. Hence, reporting under Clause 3(xx) is not applicable to the Company.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852

UDIN: 22040852AHOSPK7137

Place: Mumbai
Date: April 22, 2022

BALANCE SHEET AS AT 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	3	**73.27**	20.69
(b) Financial Assets			
(i) Investments	5	**6,629.48**	6,629.48
(ii) Other Financial Assets	6	**0.75**	0.75
(c) Deferred Tax Assets	4	**1,209.71**	1,607.13
(d) Other Non-current Assets	7	**251.62**	418.91
Total Non-Current Assets (a+b+c+d)		**8,164.83**	8,676.96
2 CURRENT ASSETS			
(a) Inventories	8	**12,289.78**	13,116.83
(b) Financial Assets			
(i) Trade Receivables	9	**1,937.39**	377.45
(ii) Cash and Cash Equivalents	10	**617.59**	44.43
(iii) Bank balances other than (ii) above	10	**330.25**	217.39
(iv) Other Financial Assets	6	**1,027.41**	25.34
(c) Other Current Assets	7	**1,236.43**	899.10
Total Current Assets (a+b+c)		**17,438.85**	14,680.53
Total Assets (1+2)		**25,603.68**	23,357.50
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	11	**5,000.00**	5,000.00
(b) Other Equity	12	**4,191.93**	1,600.85
Total Equity (a+b)		**9,191.93**	6,600.85
LIABILITIES			
2 NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	13	**4,500.00**	6,000.00
(b) Provisions	17	**80.71**	68.35
Total Non-Current Liabilities (a+b)		**4,580.71**	6,068.35
3 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	15	**3,182.45**	3,917.31
(ii) Trade Payables			
total outstanding dues of micro enterprises and small enterprises	16	**291.78**	67.68
total outstanding dues of creditors other than micro enterprises and small enterprises		**1,832.52**	908.15
(iii) Other Financial Liabilities	14	**274.97**	203.27
(b) Provisions	17	**118.17**	43.11
(c) Other Current Liabilities	18	**6,131.15**	5,548.78
Total Current Liabilities (a+b+c)		**11,831.04**	10,688.30
Total Liabilities (1+2+3)		**16,411.75**	16,756.65
Total Equity and Liabilities		**25,603.68**	23,357.50

Summary of Significant Accounting Policies 2

The accompanying notes 1 to 43 are an integral part of these financial statements

In terms of our report of even date

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852

Place: Chennai
Date: 22nd April, 2022

For and on behalf of the board of directors of Mahindra Integrated Township Limited

Ankit Shah
Company Secretary

Girish Agrawal
Chief Financial Officer

Vimal Agarwal
Director
DIN: 07296320

Parveen Mahtani
Director
DIN: 05189797

Place: Chennai
Date: 22nd April, 2022

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Note No.	Year ended 31st March, 2022	Year ended 31st March, 2021
REVENUE			
Revenue from operations	**19**	**10,156.31**	1,651.80
Other Income	**20**	**71.05**	40.30
Total Income		**10,227.36**	1,692.10
EXPENSES			
Cost of Sales	**21**	**5,417.85**	406.65
Employee benefits expense	**22**	**318.65**	270.52
Finance costs	**23**	**157.08**	800.81
Depreciation expense	**3**	**11.68**	6.48
Other expenses	**24**	**708.86**	512.07
Total Expenses		**6,614.12**	1,996.53
Profit/(Loss) before tax		**3,613.24**	(304.43)
Tax Expense/(Credit)			
Current tax	**4**	**615.00**	–
Deferred Tax	**4**	**397.42**	(88.43)
Total Tax Expenses/(Credit)		**1,012.42**	(88.43)
Profit/(Loss) after tax		**2,600.82**	(216.00)
Other Comprehensive Income/(Loss)			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of the defined benefit plans		**(9.74)**	14.27
(b) Income tax relating to Items that will not be reclassified to profit or loss		**–**	(4.15)
Total Other Comprehensive (Loss)/Income		**(9.74)**	10.12
Total Comprehensive Income/(Loss)		**2,591.08**	(205.88)
Profit from continuing operations for the year attributable to:			
Owners of the Company		**2,600.82**	(216.00)
Earnings per equity share (face value of Rs. 10/- each)			
Basic/Diluted in Rs.	**26**	**5.20**	(0.43)

Summary of Significant Accounting Policies 2

The accompanying notes 1 to 43 are an integral part of these financial statements

In terms of our report of even date

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852

Place: Chennai
Date: 22nd April, 2022

For and on behalf of the board of directors of Mahindra Integrated Township Limited

Ankit Shah
Company Secretary

Girish Agrawal
Chief Financial Officer

Vimal Agarwal
Director
DIN: 07296320

Parveen Mahtani
Director
DIN: 05189797

Place: Chennai
Date: 22nd April, 2022

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Lakhs unless otherwise stated

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Cash flows from operating activities		
Profit/(Loss) before tax	**3,613.24**	(304.43)
Adjustments for:		
Finance costs	**157.08**	800.81
Interest Income	**(42.88)**	(14.42)
Depreciation	**11.68**	6.48
Operating Profit before working capital changes	**3,739.12**	488.44
Movements in working capital:		
(Increase) /Decrease in trade and other receivables	**(1,559.95)**	450.31
Decrease / (Increase) in inventories	**1,372.23**	(1,757.49)
(Increase) / Decrease in other assets	**(337.33)**	37.98
Decrease / (Increase) in other non current assets	**14.33**	(2.80)
Increase / (Decrease) in trade and other payables	**1,148.47**	(423.64)
Increase / (Decrease) in amounts due to customers	**56.46**	(357.05)
Increase / (Decrease) in Other Financial Liabilities	**178.98**	(73.74)
Increase in provisions	**77.68**	7.27
Increase in deferred revenue	**506.40**	2,150.24
Increase / (Decrease) in other liabilities	**19.51**	(24.60)
Cash generated from operations	**5,215.90**	494.92
Income taxes paid	**(462.04)**	(12.12)
Net cash generated from operating activities	**4,753.86**	482.80
Cash flows from investing activities		
Payments for property, plant and equipment	**(64.26)**	(2.64)
Bank balances not considered as Cash and Cash Equivalents	**(112.86)**	148.61
Intercorporate Deposit given to Related parties	**(1,000.00)**	–
Interest received	**40.81**	6.80
Net cash (used in)/generated from investing activities	**(1,136.31)**	152.77
Cash flows from financing activities		
(Repayment)/Proceeds from Short term borrowings	**(530.43)**	1,129.92
Repayment of long term borrowings	**(1,500.00)**	(3,903.64)
Proceeds from long term borrowings	**–**	4,500.00
Inter Corporate Deposits from Related parties	**–**	2,800.00
Repayment of Intercorporate Deposits to Related parties	**(300.00)**	(3,895.00)
Interest paid	**(713.96)**	(1,370.64)
Net cash used in financing activities	**(3,044.39)**	(739.36)
Net Increase/(Decrease) in cash and cash equivalents	**573.16**	(103.79)
Cash and cash equivalents at the beginning of the year	**44.43**	148.22
Cash and Cash equivalents at the end of the year*	**617.59**	44.43

***Comprises of**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash and cash equivalents		
(a) Balances with banks		
in Current Accounts	**48.77**	44.43
Deposits with original maturity of less than three months	**568.82**	–
Total Cash and cash equivalents (considered in Statement of Cash Flows)	**617.59**	44.43

The above Cash Flow Statement has been prepared under the "indirect method" as set out in 'Indian Accounting Standard (Ind AS) 7
Summary of Significant Accounting Policies – 2
The accompanying notes 1 to 43 are an integral part of these financial statements

Change in Liabilities arising from financing activities **(Rs in lakhs)**

Particulars	As at 1st April, 2021	Cashflows	As at 31st March, 2022
Non Current Borrowings (Non-Current portion) - Refer Note 13	6,000.00	(1,500.00)	4,500.00
Current Borrowings (Refer Note 15)	3,917.31	(734.86)	3,182.45
Current Maturities of Long Term Borrowings (Refer Note 14)	95.57	(95.57)	–
Total	**10,012.88**	**(2,330.43)**	**7,682.45**

In terms of our report attached
For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852

Place: Chennai
Date: 22nd April, 2022

For and on behalf of the board of directors of Mahindra Integrated Township Limited

Ankit Shah
Company Secretary

Girish Agrawal
Chief Financial Officer

Vimal Agarwal
Director
DIN: 07296320

Parveen Mahtani
Director
DIN: 05189797

Place: Chennai
Date: 22nd April, 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Share Capital Equity Share Capital	Other Equity Capital Redemption Reserve	Debenture Redemption Reserve	Retained Earnings	Total
Balance as at 1st April, 2020	**5,000.00**	43.50	250.00	1,513.23	6,806.73
Loss for the year	–	–	–	(216.00)	(216.00)
Other Comprehensive Loss	–	–	–	10.12	10.12
Transfer of Debenture Redemption Reserve to Retained Earning	–	–	(250.00)	250.00	–
Transfer of Debenture Redemption Reserve	–	–	450.00	(450.00)	–
Balance as at 31st March, 2021	**5,000.00**	**43.50**	**450.00**	**1,107.35**	**6,600.85**

Particulars	Share Capital Equity Share Capital	Other Equity Capital Redemption Reserve	Debenture Redemption Reserve	Retained Earnings	Total
Balance as at 1st April, 2021	**5,000.00**	43.50	250.00	1,513.23	6,806.73
Profit for the year	–	–	–	2,600.82	2,600.82
Other Comprehensive Income	–	–	–	(9.74)	(9.74)
Balance as at 31st March, 2022	**5,000.00**	**43.50**	**450.00**	**3,698.43**	**9,191.93**

Summary of Significant Accounting Policies (refer note 2)

The accompanying notes 1 to 43 are an integral part of these financial statements

In terms of our report of even date

For **B. K. Khare & Co.**
Chartered Accountants

Aniruddha Joshi
Partner
Membership No.: 040852

Place: Chennai
Date: 22nd April, 2022

For and on behalf of the board of directors of Mahindra Integrated Township Limited

Ankit Shah
Company Secretary

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Vimal Agarwal
Director
DIN: 07296320

Parveen Mahtani
Director
DIN: 05189797

Place: Chennai
Date: 22nd April, 2022

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

1. General Information

Mahindra Integrated Township Limited ("the Company") was incorporated on June 26, 1996.

The Company is a Co-developer, approved under Special Economic Zone Act, 2005, engaged in development of township including residential infrastructure in Mahindra World City SEZ and giving it on perpetual lease. The address of its registered office and principal place of business is Administrative Block, Central Avenue, Mahindra World City, Chengalpet, Kancheepuram – 603 002.

The level of activity carried out by the Company depends on the number of projects handled and accordingly the revenue from operations may not be comparable on a year-to-year basis. During the preceding year, the company has issued listed debentures – 450 secured rated listed non-convertible debentures of face value of Rs.10,00,000 each aggregating to Rs. 45 crores on private placement basis. Due to this, the Company falls under the definition of a debt listed entity and is required to comply with provisions of SEBI (Listing and Obligations) Disclosures Regulations, 2015 and the Companies Act, 2013 to the extent applicable.

2. Significant Accounting Policies

2.1 Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

2.2 Basis of measurement

2.2.1 Basis of preparation

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2.2 Measurement of Fair Values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis as applicable, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in IND AS 2- Inventories or value in use in IND AS 36- Impairment of assets

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.3 Revenue from Contracts and Customers

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

2.3.1 Revenue from Projects

The Company develops and sells residential and commercial properties. Revenue from contracts is recognised when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognised at a point in time i.e Completed contract method of accounting as per IND AS 115 when (a) the seller has transferred all significant risks and rewards of ownership and the seller retains no effective control of the real estate to a degree usually associated with the ownership, (b) The seller has effectively handed over the possession of the real estate unit to the buyer forming part of the transaction; (c) No significant uncertainty exists regarding the amount of consideration that will be derived from real estate sales; and (d) it is not unreasonable to expect ultimate collection of revenue from buyers.. The revenue is measured at the transaction price agreed under the contract.

The Company invoices the customers for construction contracts based on achieving a series of performance-related milestones.

For certain contracts involving the sale of property under development, the Company offers deferred payment schemes to its customers. The Company adjusts the transaction price for the effects of the significant financing component.

2.3.2 Revenue from sale of Land

Revenue from Sale of land is generally a single performance obligation and the Company has determined that this is satisfied at the point in time when control transfers as per the terms of the contract entered into with the buyers, which generally are with the firmity of the sale contracts / agreements.

2.3.3 Revenue from Project Management Fees

Project Management Fees receivable on fixed period contracts is accounted over the tenure of the contract/ agreement. Where the fee is linked to the input costs, revenue is recognised as a proportion of the work completed based on progress claims submitted. Where the management fee is linked to the revenue generation from the project, revenue is recognised on the percentage of completion basis.

2.3.4 Contract Costs

Costs to obtain contracts ("Contract costs") relate to fees paid for obtaining property sales contracts. Such costs are recognised as assets when incurred and amortised upon recognition of revenue from the related property sale contract.

2.3.5 Significant accounting judgements, estimates and assumptions

2.3.5.1 Determining the timing of revenue recognition on the sale of completed and under development property

The Company has generally evaluated and concluded that based on an analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate. The Company has concluded that the overtime criteria are not met owing to non-enforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time.

2.3.5.2 Determination of performance obligations

With respect to the sale of property, the Company has concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

Company is responsible for all these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Company accounts for them as a single performance obligation because they are not distinct in the context of the contract.

2.3.6 Dividend and interest income

Dividend income from investments in subsidiary company is recognised when the unit holder's right to receive payment has been established.

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

2.4 Current versus non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Based on the nature of activity carried out by the Company and the period between the procurement and realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 5 years for the purpose of Current – Non-Current classification of assets and liabilities.

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Borrowings are classified as current if they are due to be settled within 12 months after the reporting period.

2.5 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

2.6 Foreign currencies

Transactions in foreign currencies i.e. other than the Company's functional currency are recognised at the rates of exchange prevailing at the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks

2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

2.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.8.1 Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The Company's current tax is calculated using tax rate that has been enacted or substantively enacted by the end of the reporting period.

2.8.2 Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

2.8.3 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

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

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

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

2.8.4 Current and deferred tax for the year

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

2.9 Property, plant and equipment (PPE)

PPE are stated in the balance sheet at cost less accumulated depreciation.

Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss. PPE held for disposal are valued at estimated net realizable value.

Depreciation on PPE has been provided on pro-rata basis, on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Lease hold improvements are amortised over the period of lease/ estimated period of lease.

2.10 Impairment of PPE

At the end of each reporting period, the Company reviews the carrying amounts of its PPE to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

2.11 Inventories

Inventories are stated at lower of cost and net realisable value. The cost of construction material is determined on the basis of weighted average method. Construction Work-in-Progress includes cost of land, premium for development rights, construction costs and allocated interest and manpower costs and expenses incidental to the projects undertaken by the Company.

2.12 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.13 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.14 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) because of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Contingent liabilities

Contingent liability is disclosed in case of:

a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

b) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets

Contingent assets are disclosed where an inflow of economic benefits is probable.

2.15 Employee Benefits

Employee benefits include provident fund, gratuity fund and compensated absences.

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees.

Long term Compensated Absences and Gratuity

Company's liability towards long term compensated absences are determined by independent actuaries, using the projected unit credit method.

Company's liability towards gratuity as at the balance sheet date are determined by independent actuaries, using the projected unit credit method. Past services are recognised at the earlier of the plan amendment/curtailment and the recognition of related restructuring costs/termination benefits.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

The obligation on long term compensated absences and defined benefit plans are measured at the present value of estimated future cash flows using a discount rate that is determined by reference to the market yields at the balance sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the obligation.

Remeasurement gains/losses

Remeasurement of defined benefit plans, comprising of actuarial gains or losses, return on plan assets excluding interest income are recognised immediately in balance sheet with corresponding debit or credit to other comprehensive income. Remeasurements are not reclassified to statement profit and loss in subsequent period. Remeasurement gains or losses on long term compensated absences that are classified as other long-term benefits are recognised in statement of profit and loss.

2.16 Financial instruments

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

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

2.16.1 Classification and subsequent measurement

2.16.1.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as - measured at:

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) - debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) - equity investment; or
- Fair Value Through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain and loss on recognition is recognised in statement of profit and loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Debt investment at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long term strategic purpose.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in statement of profit and loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

2.16.1.2 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

2.16.2 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

2.17 Earnings per Share

Basic / Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

2.18 Goods and Services tax input credit

Goods and Services tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

2.19 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 1, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements based on estimates and assumptions, which have the significant effect on the amounts recognised in the standalone financial statements.

Determination of the timing of revenue recognition on the sale of completed and under development property

The Company has evaluated and generally concluded that the recognition of revenue over the period of time criteria are not met owing to non-enforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time. The Company has further evaluated and concluded that based on the analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate.

Determination of performance obligation

With respect to the sale of property, the Company has evaluated and concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the Company is responsible for all these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Company accounts for them as a single performance obligation because they are not distinct in the context of the contract.

Taxes

Deferred tax assets are recognised for temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after considering inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the standalone financial statements.

Note No. 3 - Property, Plant and Equipment

Description of Assets	Office Equipments	Furniture and Fixtures	Computers	Electrical Installations	Total
I. Gross Carrying Amount					
Balance as at 1st April, 2021	21.94	71.07	2.06	10.10	105.17
Additions	–	54.47	9.79	–	64.26
Balance as at 31st March, 2022	**21.94**	**125.54**	**11.85**	**10.10**	**169.43**
II. Accumulated depreciation					
Balance as at 1st April, 2021	18.28	58.16	2.06	5.98	84.48
Depreciation expense for the year	–	7.52	3.15	1.01	11.68
Balance as at 31st March, 2022	**18.28**	**65.68**	**5.21**	**6.99**	**96.16**
III. Net carrying amount as at 31st March, 2022 (I-II)	**3.66**	**59.86**	**6.64**	**3.11**	**73.27**

Description of Assets	Office Equipments	Furniture and Fixtures	Computers	Electrical Installations	Total
I. Gross Carrying Amount					
Balance as at 1st April, 2020	19.30	71.07	2.06	10.10	102.53
Additions	2.64	–	–	–	2.64
Balance as at 31st March, 2021	**21.94**	**71.07**	**2.06**	**10.10**	**105.17**
II. Accumulated depreciation					
Balance as at 1st April, 2020	16.31	54.66	2.06	4.97	78.00
Depreciation expense for the year	1.97	3.50	–	1.01	6.48
Balance as at 31st March, 2021	**18.28**	**58.16**	**2.06**	**5.98**	**84.48**
III. Net carrying amount as at 31st March, 2021 (I-II)	**3.66**	**12.91**	**–**	**4.12**	**20.69**

Note No. 4a - Current Tax and Deferred Tax

(a) Income Tax recognised in profit or loss

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Current Tax:		
In respect of current year	**615.00**	–
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	**397.42**	(88.43)
Total	**1,012.42**	(88.43)

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

(b) Reconciliation of estimated income tax expense at tax rate to income tax expense reported in Profit or Loss is as follows:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Profit/(Loss) before tax	**3,613.24**	(304.43)
Income tax expense calculated at 29.12%	**1,052.18**	(88.65)
Effect of expenses that is non-deductible in determining taxable profit	**(39.76)**	0.22
Income tax credit recognised in profit or loss	**1,012.42**	(88.43)

Note No. 4b - Deferred Tax Assets

As at 31st March, 2022

Particulars	Opening Balance	Recognised in profit and Loss	Recognised in other comprehensive income	Closing Balance
Carry forward of Business losses	1,014.24	(1,014.24)	–	–
Minimum Alternate Tax (MAT)	592.89	650.10	–	1,242.99
Other Temporary Differences		(33.28)	–	(33.28)
Net Deferred Tax Asset	**1,607.13**	**(397.42)**	**–**	**1,209.71**

As at 31st March, 2021

Particulars	Opening Balance	Recognised in profit and Loss	Recognised in other comprehensive income	Closing Balance
Tax impact of adjustment pursuant INDAS 115	929.96	88.43	(4.15)	1,014.24
Minimum Alternate Tax (MAT)	592.89	–	–	592.89
Net Deferred Tax Asset	**1,522.85**	**88.43**	**(4.15)**	**1,607.13**

Note No. 5 - Investments

Particulars	As at 31st March, 2022 Current	As at 31st March, 2022 Non Current	As at 31st March, 2021 Current	As at 31st March, 2021 Non Current
A. Cost				
Unquoted Investments (all fully paid)				
Investments in Equity Instruments				
- of Subsidiaries				
- Mahindra Residential Developers Limited -2,50,000 Equity Shares Face value of Rs.10/-each	–	**6,629.48**	–	6,629.48
INVESTMENTS CARRIED AT COST	–	**6,629.48**	–	6,629.48
Other disclosures				
Aggregate amount of unquoted investments	–	**6,629.48**	–	6,629.48

Note No. 6 - Other Financial Assets

Particulars	As at 31st March, 2022 Current	As at 31st March, 2022 Non–Current	As at 31st March, 2021 Current	As at 31st March, 2021 Non–Current
a) Security Deposits				
- Unsecured, considered good	–	**0.75**	–	0.75
b) Loans to Related Parties				
- Unsecured, considered good	**1,000.00**	–	–	–
c) Interest Receivable				
- Interest accrued on deposits, loans and advances	**27.41**	–	25.34	–
Total	**1,027.41**	**0.75**	25.34	0.75

Note No. 7 - Other Assets

Particulars	As at 31st March, 2022 Current	As at 31st March, 2022 Non–Current	As at 31st March, 2021 Current	As at 31st March, 2021 Non–Current
(a) Advances other than capital advances				
(i) Balances with government authorities (other than income taxes)	**823.77**	–	670.08	–
(ii) Other advances(Mobilisation & Material Advances to Contractors)	**186.66**	–	145.22	–
(b) Advance income tax	–	**185.60**	–	338.56
(c) Security Deposit				
- Unsecured, considered good	**13.84**	**66.02**	–	80.35
(d) Prepaid Expenses	**212.16**		83.80	
Total	**1,236.43**	**251.62**	899.10	418.91

Note No. 8 - Inventories

Particulars	As at 31st March, 2022	As at 31st March, 2021
Construction Materials	**496.52**	558.87
Construction Work-in-progress*	**6,976.97**	12,557.96
Finished goods	**4,816.29**	–
Total Inventories (at lower of cost and net realisable value)	**12,289.78**	13,116.83

*Construction Work-in-Progress represents materials at site and unbilled costs on the projects. Based on projections and estimates by the Company of the expected revenues and costs to completion, provision for losses to completion and/ or write off of costs carried to inventory are made on projects where the expected revenues are lower than the estimated costs to completion. In the opinion of the management, the net realisable value of the construction work in progress will not be lower than the costs so included therein.

Construction Materials primarily comprises of Steel, Cement, Chrome plated & Sanitary Fixtures and UPVC windows which are used for construction activities.

The cost of inventories recognised as an expense during the year in respect of continuing operations is Rs. 5,417.85 lakhs (FY 20-21: Rs. 406.65 lakhs).

The Company has availed cash credit facilities, Term Loan and borrowings through issue of Non-Convertible Debentures which are secured by hypothecation of inventories.

Based on detailed assessment and evaluation of impact of the COVID-19 epidemic, the management concluded that realiseable value of these inventories will not be lower than the carrying value .

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Note No. 9 - Trade Receivables

Particulars	As at 31st March, 2022 Current	As at 31st March, 2022 Non–Current	As at 31st March, 2021 Current	As at 31st March, 2021 Non–Current
Trade receivables				
- Unsecured, considered good	**1,937.39**	–	377.45	–
TOTAL	**1,937.39**	–	377.45	–
Of the above, trade receivables from:				
- Related Parties (Refer note 30)	**30.48**	–	25.03	–
- Others	**1,906.91**	–	352.42	–
TOTAL	**1,937.39**	–	377.45	–

Refer Note 28 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related financial instrument disclosures.

The average credit period in the range of 7-31 days on lease of residential property as per the agreement with customers.

Note No. 9 a - Ageing for trade receivables from the due date of payment for each of the category is as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Undisputed Trade Receivable - Considered good - unsecured		
Not Due	–	–
0 months - 6 months	**1,925.08**	322.59
6 months -1 year	**0.00**	**31.55**
1-2 Years	**12.31**	22.92
2-3 years	–	0.18
More than 3 years	–	0.21
Total	**1,937.39**	377.45

Note No. 10 - Cash and Bank Balances

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash and cash equivalents		
Balances with banks		
In Current Accounts	**48.77**	44.43
Deposits with original maturity of less than three months	**568.82**	–
Total Cash and cash equivalent (considered in Statement of Cash Flows)	**617.59**	**44.43**
Bank Balances other than Cash and cash equivalents		
- Current Accounts - earmarked *	**119.52**	37.39
- Earmarked Deposit account with scheduled banks#	**210.73**	180.00
Total Other Bank balances	**330.25**	217.39

* Required to be set aside and kept in separate bank account under Tamil Nadu Real Estate (Regulation and Development) Act, 2016.

\# Earmarked balances with banks refers to Fixed Deposits with bank created out of Corpus and Advance maintenance Charges collected from customers.

Note No. 11 - Equity Share Capital

Particulars	As at 31st March, 2022 No. of shares	As at 31st March, 2022 Amount	As at 31st March, 2021 No. of shares	As at 31st March, 2021 Amount
Authorised:				
Equity shares of Rs. 10 each with voting rights	**6,00,00,000**	**6,000.00**	6,00,00,000	6,000.00
Issued, Subscribed and Fully Paidup:				
Equity shares of Rs. 10 each with voting rights#	**5,00,00,000**	**5,000.00**	5,00,00,000	5,000.00
Total	**5,00,00,000**	**5,000.00**	5,00,00,000	5,000.00

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	Opening Balance	Change during the year	Closing Balance
Equity Shares with Voting rights*			
As at 31st March, 2022			
No. of Shares	**5,00,00,000**	–	**5,00,00,000**
Amount in Lakhs	**5,000.00**	–	**5,000.00**
As at 31st March, 2021			
No. of Shares	5,00,00,000	–	5,00,00,000
Amount in Lakhs	5,000.00	–	5,000.00

* **Terms/ rights attached to equity shares:** The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share. Dividends are paid in Indian Rupees. The dividends proposed by the Board of Directors are subject to the approval of the shareholders at the Annual General Meeting. Repayment of capital will be in proportion to the number of equity shares held.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

(ii) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31st March, 2022 No.	As at 31st March, 2022 % holding in the class	As at 31st March, 2021 No.	As at 31st March, 2021 % holding in the class
Equity shares with voting rights:-				
Mahindra Lifespace Developers Limited, Holding Company	**3,70,00,000**	**74.00%**	3,70,00,000	74.00%
Mahindra World City Developers Limited, Joint Venture of Holding Company	**1,30,00,000**	**26.00%**	1,30,00,000	26.00%

(iii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	No. of Shares Equity Shares with Voting rights
As at 31st March, 2022	
Mahindra Lifespace Developers Limited, the Holding Company	**3,70,00,000**
Joint Venture of the holding company-Mahindra World City Developers Ltd	**1,30,00,000**
As at 31st March, 2021	
Mahindra Lifespace Developers Limited, the Holding Company	3,70,00,000
Joint Venture of the holding company-Mahindra World City Developers Ltd	1,30,00,000

Note No. 12(a) -Other Equity

Particulars	As at 31st March, 2022	As at 31st March, 2021
Retained earnings	**3,698.43**	1,107.35
Debenture Redemption Reserve	**450.00**	450.00
Capital Redemption Reserve	**43.50**	43.50
Total Other Equity	**4,191.93**	1,600.85

Note No. 12 (b) - Other Equity

Particulars	Capital Redemption Reserve	Debenture Redemption Reserve	Retained Earnings	Total
Balance as at 1st April, 2021	**43.50**	**450.00**	**1,107.35**	**1,600.85**
Profit for the year			**2,600.82**	**2,600.82**
Transfer of Debenture Redemption Reserve to Retained Earnings				**–**
Transfer to Debenture Redemption Reserve				**–**
Other Comprehensive Income for the year (net of tax)			**(9.74)**	**(9.74)**
Balance as at 31st March, 2022	**43.50**	**450.00**	**3,698.43**	**4,191.93**

Retained Earnings: This reserve represents cumulative profits of the Company. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.

Debenture Redemption Reserve (DRR): A debenture redemption reserve is created against issue of debentures to protect investors against the possibility of default by the company. The Company evaluated the DRR required as on March 31, 2021 based on the notification GSR 127(E), dated 19 August 2019 and has created a DRR of Rs. 450 Lakhs.

Capital Redemption Reserve: The Capital Redemption Reserve is created against Buy Back of shares.

Note No. 13 - Non-Current Borrowings

Particulars	As at 31st March, 2022	As at 31st March, 2021
Measured at amortised cost		
Secured Borrowings:		
a. Non-Convertible Debentures	**4,500.00**	4,500.00
(refer to sub note(i) below)		
b. Term Loan (refer to sub note(ii) below)	**–**	1,500.00
Total	**4,500.00**	6,000.00

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

i) Non-Convertible Debentures(Listed/Secured)

The Terms and conditions of the Listed, Secured Non Convertible Debentures issued by the Company are summarised below

Series	I	II	III
Face Value of the Debentures(Rs in lakhs)	1,500.00	1,500.00	1,500.00
Total Redemption Premium(Rs in lakhs)	214.32	299.64	393.68
Rate of Interest Payable Annually	8.40%	8.40%	8.40%
Maturity Date	14-Sep-2023	13-Sep-2024	12-Sep-2025

The above Debentures are secured by first ranking pari passu mortgage and charge on specific lands of the Company. The carrying value of these specific Lands is Rs.862.45 Lakhs and is shown as part of “work in Progress” in Inventories Schedule, Refer note No.8.

ii) Term Loan (Secured)

Term loan is taken Axis Bank in the month of August 2019 for a tenure of 3 years, repayable in 2 equal installments starting from 24th month of disbursement. The term loan is secured by first ranking pari passu charge on specific lands of the company. The loan has been repaid in full during the year ended 31st March 2022

Note No. 14 - Other Financial Liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
Current maturities of long term debt	–	95.57
Interest accrued		
Interest Accrued and due on borrowings	–	–
Interest Accrued and Not due on borrowings	**17.09**	28.80
Redemption Premium payable on non convertible debentures	–	–
Other liabilities		
Deposits from customers*	**257.88**	78.90
Total Other financial liabilities	**274.97**	203.27

* refers to amount collected from customers towards “Advance maintenance and Corpus fund” net off amount receivable. Out of the funds collected, the Company has invested in earmarked deposit accounts with banks (Refer Note 10)

Note No. 15 - Current Borrowings

Particulars	As at 31st March, 2022	As at 31st March, 2021
A. Secured Borrowings at amortised cost		
From Banks- Cash Credit Facility	**3,182.45**	3,617.31
Total Secured Borrowings	**3,182.45**	3,617.31
B. Unsecured Borrowings		
Loans from related parties (Refer note no. 30)	–	300.00
Total Unsecured Borrowings	–	300.00
Total	**3,182.45**	3,917.31

Secured Borrowings: The Cash Credit sanctioned by HDFC Bank Ltd is Rs. 4,300 Lakhs and rate of interest is Bank Base Rate + 0.25% p.a. payable on a monthly basis. This facility is secured by hypothecation of book debts and Work in progress and first ranking pari passu charge on specific lands of the company.

Unsecured Borrowings: The Loan is taken from M/s Mahindra Residential Developers Limited @ 9.5% pa payable on demand. The loan has been repaid in full during the year ended 31st March 2022.

Note No. 16 - Trade Payables

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade Payables		
total outstanding dues of micro enterprises and small enterprises (Refer Note 40 (a))	**291.78**	67.68
total outstanding dues of creditors other than micro enterprises and small enterprises	**1,832.52**	908.15
Total	**2,124.30**	975.83

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

The average credit period in the range of 7-31 days as per the agreement with Contractors/Suppliers.

Note No. 16 a - Ageing for trade payable from the due date of payment for each of the category is as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Undisputed dues of micro enterprises and small enterprises		
Unbilled	–	–
Not Due	**291.78**	67.68
0 months - 1 year	–	–
1-2 Years	–	–
2-3 years	–	–
More than 3 years	–	–
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled	–	–
Not Due	–	–
0 months - 1 year	**1,402.60**	395.72
1-2 Years	**75.29**	111.78
2-3 years	**75.64**	–
More than 3 years	**279.00**	400.64
Total	**2,124.30**	975.83

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Note No. 17 - Provisions

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non Current Provisions		
Gratuity	**48.46**	39.93
Leave Encashment	**32.25**	28.42
Total Non Current Provisions	**80.71**	68.35
Current Provisions		
Gratuity	**11.79**	8.10
Leave Encashment	**8.45**	6.37
Defect Liability Provision	**97.93**	28.64
Total Current Provisions	**118.17**	43.11

Details of movement in Other Provisions is as follows:

Particulars	Defect Liability Provision
Balance at 1st April, 2020	28.64
Adjustment as per IND AS 115	–
Additional provisions recognised	–
Amounts used during the year	–
Unused amounts reversed during the period	–
Unwinding of discount and effect of changes in the discount rate	–
Balance at 31st March, 2021	**28.64**
Balance at 1st April, 2021	28.64
Adjustment as per IND AS 115	–
Additional provisions recognised	69.76
Amounts used during the year	(0.47)
Unused amounts reversed during the period	–
Unwinding of discount and effect of changes in the discount rate	–
Balance at 31st March, 2022	**97.93**

Defect Liability Provision:

Provision for defect liability represents present value of management's best estimate of the future outflow of economic resources that will be required in respect of residential units given under perpetual lease, the estimated cost of which is accrued during the period of construction, upon lease of units and recognition of related revenue. Management estimates the related provision for future defect liability claims based on historical cost of rectifications and is adjusted regularly to reflect new information. The residential units are generally covered under a defect liability period limited to 5 year from the date of handover of residential units. It is expected that most of these costs will be incurred within two years after the reporting date.

Note No. 18 - Other Current Liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
a. Advances received from customers	**138.71**	82.25
b. Deferred Revenue	**5,913.08**	5,406.68
c. Employee related dues	**46.28**	45.40
d. Statutory dues		
– taxes payable (other than income taxes)	**33.08**	14.45
Total	**6,131.15**	5,548.78

Note No. 19 - Revenue from Operations

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Income from Projects (Refer note no: 32)	**10,033.57**	1,550.00
Income From Project Management	**106.34**	92.02
Income from Cancellations	**16.40**	9.78
Total	**10,156.31**	1,651.80

Note No. 20 - Other Income

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Interest Income on Financial assets that are not designated as Fair Value through Profit and Loss	**50.20**	39.62
Bank Deposits	**13.77**	14.42
Interest Inter Corporate Deposits	**29.11**	–
Others	**7.32**	25.20
Scrap Income	**9.62**	–
Other Income	**11.23**	0.68
Total	**71.05**	40.30

Note No. 21- Cost of Sales

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Inventories at the beginning of the year:	**13,116.83**	11,263.26
Stock-in-trade	**558.87**	575.97
Construction Work-in-progress	**12,557.96**	10,687.29
Finished goods	**–**	–
Add: Expenses Incurred during the year	**4,590.80**	2,260.22
Land and Construction Costs	**3,741.63**	1,972.19
Architect & Consultant Fees	**161.23**	43.58
Project Management Fees	**136.73**	141.45
Other Expenses	**6.03**	6.92
Borrowing Costs Inventorised	**545.18**	96.08
Inventories at the end of the year:	**(12,289.78)**	(13,116.83)
Stock-in-trade	**(496.52)**	(558.87)
Construction Work-in-progress	**(6,976.97)**	(12,557.96)
Finished goods	**(4,816.29)**	–
Total	**5,417.85**	406.65

Note No. 22 - Employee Benefits Expense

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Salaries and wages including bonus	**419.55**	380.81
Contributions to provident and other funds	**27.32**	27.77
Staff welfare expenses	**8.51**	3.38
Less: Salaries and wages inventorised	**(136.73)**	(141.45)
Total Employee Benefits Expense	**318.65**	270.51

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Note No. 23 - Finance Costs

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
(a) Interest Costs	**702.26**	896.89
Less: Borrowing costs inventorised	**(545.18)**	(96.08)
Total Finance Costs	**157.08**	800.81

Note No. 24 - Other Expenses

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Rent including lease rentals	**18.25**	17.08
Rates & Taxes	**18.86**	20.97
Repairs and maintenance - Others	**227.23**	238.79
Advertisement and Marketing	**296.09**	139.22
Commission on sales / contracts (net)	**49.56**	0.47
Auditors remuneration and out-of-pocket expenses		
As Statutory Auditors	**11.00**	11.00
For Other services	**2.80**	3.50
For reimbursement of expenses	**–**	–
Legal and other professional costs	**68.28**	72.14
Other General Expenses	**16.79**	8.90
Total Other Expenses	**708.86**	512.07

Note No. 25 - Segment information

Business segments

The Company operates in only one business segment, i.e. 'lease of residential property constructed' based on the nature of the services and products, the risks and returns etc. This has been determined in the manner consistent with the internal reporting provided to the Chairperson regarded as the Chief Operating Decision Maker ("CODM"). The Company operates only in India. The conditions prevailing in India being uniform, no separate geographical disclosure within India is considered necessary.

Note No. 26- Earnings per Share

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
	Per Share	Per Share
Basic/Diluted Earnings per share	**5.20**	(0.43)
Total basic/diluted earnings per share	**5.20**	(0.43)

Basic earnings per share

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

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Profit/ (Loss) for the year attributable to owners of the Company	**2,600.82**	(216.00)
Less: Preference dividend and tax thereon	**–**	–
Profit for the year used in the calculation of basic earnings per share	**2,600.82**	(216.00)
Profit for the year on discontinued operations used in the calculation of basic earnings per share from discontinued operations	**–**	–
Profits used in the calculation of basic earnings per share from continuing operations	**2,600.82**	(216.00)
Weighted average number of equity shares (in nos)	**5,00,00,000**	5,00,00,000
Basic and Diluted Earning per share (in face value of Rs. 10/- per share) (in Rs.)	**5.20**	(0.43)

Note No. 27 - Disclosure of interest in Subsidiaries

(a) Details of the Company's subsidiary at the end of the reporting period are as follows:

Name of the Subsidiary	Principal Activity	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and Voting power held by the Company 31st March, 2022	31st March, 2021	Quoted (Y/N)
Mahindra Residential Developers Limited	Development of Residential Unit	Chennai	100%	100%	No

(b) Summarised financial information in respect of Company's subsidiary. The summarised financial information below represents amounts before intragroup eliminations.

Particulars	Mahindra Residential Developers Limited 31st March, 2022	31st March, 2021
Current Assets	**9,275.02**	9,731.08
Non Current Assets	**970.04**	936.49
Current Liabilities	**609.93**	1,183.02
Non-Current Liabilities	**–**	–
Equity Interest Attributable to the owners	**9,635.13**	9,484.55
Revenue	**702.68**	2,164.99
Expenses	**487.65**	1,682.77

Particulars	Mahindra Residential Developers Limited 31st March, 2022	31st March, 2021
Profit before tax for the year	**215.03**	482.22
Profit after tax attributable to the owners of the Company	**151.28**	345.61
Net cash (used in) / generated from operating activities	**(944.96)**	763.92
Net cash used in/generated from investing activities	**(40.92)**	533.95
Net cash(used in)/generated from financing activities	**(13.94)**	(7.36)
Net Cash inflow/(outflow)	**(999.82)**	1,290.51

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Note No. 28 - Financial Instruments

Capital management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary. There is no change in the overall capital risk management strategy of the Company compared to last year.

The Company uses debt ratio as a capital management index and calculates the ratio as total debt divided by total equity. Total liabilities and total equity are based on the amounts stated in the financial statements.

The Company is not subject to externally enforced regulation.

Debt-to-equity ratio as of 31st March, 2022 and 31st March, 2021 is as follows:

	31st March, 2022	31st March, 2021
Debt (A)	**7,682.45**	10,012.88
Equity (B)	**9,191.93**	6,600.85
Debt Equity Ratio (A/B)	**0.84**	1.52

Categories of financial assets and financial liabilities

As at 31st March, 2022

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	**6,629.48**	–	–	**6,629.48**
Other Financial Assets	**0.75**	–	–	**0.75**
Current Assets				
Trade Receivables	**1,937.39**	–	–	**1,937.39**
Cash and Cash equivalents	**617.59**	–	–	**617.59**
Bank Balances other than above	**330.25**	–	–	**330.25**
Other Financial Assets	**1,027.41**	–	–	**1,027.41**
	10,542.87	–	–	**10,542.87**
Non-current Liabilities				
Borrowings	**4,500.00**	–	–	**4,500.00**
Other Financial Liabilities	–	–	–	–
Current Liabilities				
Borrowings	**3,182.45**	–	–	**3,182.45**
Current maturities of long term debt	–	–	–	–
Trade Payables	**2,124.30**	–	–	**2,124.30**
Other Financial Liabilities	**274.97**			**274.97**
	10,081.72	–	–	**10,081.72**

As at 31st March, 2021

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	6,629.48	–	–	6,629.48
Other Financial Assets	0.75	–	–	0.75
Current Assets				
Trade Receivables	377.45	–	–	377.45
Cash and Cash equivalents	44.43	–	–	44.43
Bank Balances other than above	217.39	–	–	217.39
Other Financial Assets	25.34	–	–	25.34
Total	7,294.84	–	–	7,294.84
Non-current Liabilities				
Borrowings	6,000.00	–	–	6,000.00
Current Liabilities				
Borrowings	3,917.31	–	–	3,917.31
Trade Payables	975.83	–	–	975.83
Other Financial Liabilities	203.27	–	–	203.27
	11,096.41	–	–	11,096.41

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

CREDIT RISK

(i) Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from trade receivables, cash and cash equivalents, mutual Funds & other financial assets.

(ii) Trade Receivables:

The Company's trade receivables include receivables on lease of residential flats and rent maintenance receivable. As per the Company's flat handover policy, a flat is handed over to a customer only upon payment of entire amount of consideration. The rent maintenance receivables are secured by security deposits obtained under the lease agreement. Thus, the Company is not exposed to any credit risk on receivables from sale of residential flats and rent receivables. However owing to COVID-19 pandemic outbreak the Company expects considerable slow down in collections of existing receivables and delay in billing further milestones owing to lockdown.

(iii) Cash and Cash Equivalents & Other Financial Assets

For banks and financial institutions, only high rated banks/institutions are accepted. The Company holds cash and cash equivalents with bank and financial institution counterparties, which are having highest safety ratings based on ratings published by various credit rating agencies. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

For other financial assets, the Company assesses and manages credit risk based on reasonable and supportive forward looking information. The Company does not have significant credit risk exposure for these items.

LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial liabilities				
31st March, 2022				
Non-interest bearing				
Trade Payables	**2,124.30**	–	–	–
Other Current Financial Liabilities	**257.88**	–	–	–
Interest Accrued but not due including premium on NCD	**17.09**	–	–	–
Short term Borrowing-Principal	**3,182.45**	–	–	–
Long Term Borrowing - Principal	**-**	**3,000.00**	**1,500.00**	–
Total	**5,581.72**	**3,000.00**	**1,500.00**	–
31st March, 2021				
Non-interest bearing				
Trade Payables	975.83	–	–	–
Other Current Financial Liabilities	78.90	–	–	–

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Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Interest Accrued but not due including premium on NCD	28.80	–		
Current maturities of long term debt	95.57			
Short term Borrowing-Principal	3,917.31	–	–	–
Long Term Borrowing - Principal	–	3,000.00	3,000.00	
Total	**5,096.41**	**3,000.00**	**3,000.00**	–

The amounts included above for financial guarantee contracts are the maximum amounts the Company could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the arrangement.

(iii) Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

Particulars	31st March, 2022	31st March, 2021
Secured Bank Overdraft facility		
- Expiring within one year	**1,117.55**	682.69
Secured Bank Guarantee Limit (sub limit of CC Credit facility)		
- Expiring within one year	**100.00**	100.00
Secured Letter of Credit (sub limit of CC Credit facility)		
- Expiring within one year	**100.00**	100.00

(iv) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial assets				
31st March, 2022				
Non-interest bearing				
Non Current Investment	–	–	–	**6,629.48**
Trade Receivable	**1,937.39**	–	–	–
Cash and Cash equivalents	**617.59**	–	–	–
Bank balances other than above	**330.25**	–	–	–
Other Non Current Financial Assets	–	–	–	**0.75**
Other Current Financial Assets	**1,027.41**	–	–	–
Total	**3,912.64**	–	–	**6,630.23**
31st March, 2021				
Non-interest bearing				
Non Current Investment	–	–	–	6,629.48
Trade Receivable	377.45	–	–	–
Cash and Cash equivalents	44.43	–	–	–
Bank balances other than above	217.39	–	–	–
Other Non Current Financial Assets	–	–	–	0.75
Other Current Financial Assets	25.34	–	–	–
Total	664.61	–	–	6,630.23

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivatives to manage market risks. Derivatives are only used for economic hedging purposes and not as speculative investments. All such transactions are carried out within the guidelines set by the Board of Directors and Risk Management Committee.

There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

Currency Risk

The Company undertakes transactions denominated only in India Rupees and hence there is no risk of foreign exchange fluctuations.

Interest rate risk

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

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company's policy is to keep atleast 60% of its borrowings at fixed rates of interest. At 31 March 2022, 100% of the Company's borrowings are at a fixed rate of interest (31 March 2021: 100%).

Interest rate sensitivity

The sensitivity analysis below has been determined based on exposure to interest rate for both derivative and non-derivative instruments at the end of reporting period. For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's (loss)/profit before tax is affected through the impact on floating rate borrowings, as follows:

	Currency	Increase/ decrease in basis points	Effect on (loss)/profit before tax
31st March, 2022	**INR**	**+100**	**31.82**
	INR	**-100**	**(31.82)**
31st March, 2021	INR	+100	36.17
	INR	-100	(36.17)

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29 - Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

COVID -19 Impact assessment:

The management assessed the Company's future projections in light of the developments due to COVID 19 situation and has reassessed the impact that it may cause on the Company's financial and operational performance . The construction and development activities were temporarily suspended owing to lock down during the year and post phased out lifting of the lock down, the construction activities have commenced. Statutory authorities have considered relaxation norms for handover deadlines and the Company at this moment expects no outflow on account delayed payment compensation . The Company has credit and term loan facilities available to meet the project costs and pay off the vendors and bankers in the immediate 12 months from the date of approval of these financial statements. The Company expects no additional inflow of capital towards currently planned development. Based on the above assessment, the management is of the view that company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance

30 - Related party disclosures

Names of related parties and related party relationship

Related parties where control exists

a) Names of related parties and nature of relationship where control exists:	Mahindra & Mahindra Limited (Ultimate Holding Company) Mahindra Lifespace Developers Limited (Holding Company)
b) Subsidiary Company	Mahindra Residential Developers Limited (Wholly owned Subsidiary Company)
c) Fellow Subsidiaries & Joint Ventures with whom transactions have been entered during the Year	Mahindra World City Developers Limited (MWCDL) (Joint Venture of Holding Company) Mahindra Integrated Business Solutions Private Limited (MIBS) - (Fellow Subsidiary)

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

(Previous year figures in brackets)

Nature of transactions with Related Parties	Ultimate Holding Company	Holding Company	Joint Venture-MWCDL	MIBS-Fellow Subsidiary	Subsidiary
Inter Corporate Deposit repaid	–	–	–	–	–
	–	(2,500.00)	–	–	(1,395.00)
Inter Corporate Deposit Given	–	–	1,000.00	–	–
	–	–	–	–	–
Inter Corporate Deposit taken	–	–	–	–	300.00
	–	(2,500.00)	–	–	(300.00)
Interest expense	–	–	–	–	12.78
	–	(10.29)	–	–	(73.85)
Interest Income	–	–	29.11	–	–
	–	–	–	–	–
Reimbursement of Gratuity Leave Encashment & Performance Pay	–	–	–	–	–
	–	–	–	–	–
Administration expenses billed	–	–	–	–	16.35
	–	(15.47)	–	–	(14.01)
Consultancy charges(Information Technology & Manpower Deputation Charges etc)	13.97	5.17	3.43	3.69	106.34
	(10.84)	(5.25)	(3.75)	(5.04)	(92.02)
Sale/Purchase of Materials and Services	–	–	10.19	–	–
	–	–	(0.62)	–	–
Rent, EB & Maintenance charges	–	–	205.53	–	–
	–	–	(222.96)	–	–
Marketing expenses	–	28.87	–	–	–
	–	(3.84)	–	–	–

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(Previous year figures in brackets)

Nature of transactions with Related Parties	Ultimate Holding Company	Holding Company	Joint Venture-MWCDL	MIBS-Fellow Subsidiary	Subsidiary
Deposits made (Rent & Maintenance)	–	–	66.27	–	–
	–	–	(66.27)	–	–
Inter-corporate deposits payable	–	–	–	–	–
	–	–	–	–	(300.00)
Other Payables	5.19	21.76	55.95	0.40	–
	(6.01)	(93.62)	(0.46)	(0.47)	–
Trade Receivables	–	–	–	–	30.48
	–	–	–	–	(25.03)

Note No. 31 - Fair Value Measurement

Fair value of financial assets and financial liabilities that are not measured at fair value

Particulars	31st March, 2022 Carrying amount	31st March, 2022 Fair value	31st March, 2021 Carrying amount	31st March, 2021 Fair value
Financial assets				
Financial assets carried at Amortised Cost				
– Investments in Equity	**6,629.48**	**6,629.48**	6,629.48	6,629.48
– Trade and other receivables	**2,964.80**	**2,964.80**	402.79	402.79
– Cash and cash equivalents	**617.59**	**617.59**	44.43	44.43
– Bank balances other than above	**330.25**	**330.25**	217.39	217.39
– Deposits and similar assets	**0.75**	**0.75**	0.75	0.75
Total	**10,542.87**	**10,542.87**	7,294.84	7,294.84
Financial liabilities				
Financial liabilities held at amortised cost				
– Debentures	**4,500.00**	**4,500.00**	4,500.00	4,500.00
– Term Loan from Bank	–	–	1,500.00	1,500.00
– Loans from related parties	–	–	300.00	300.00
– Borrowings from bank	**3,182.45**	**3,182.45**	3,617.31	3,617.31
– Current maturities of long term debt	–	–	95.57	95.57
– Trade and other payables	**2,399.27**	**2,399.27**	1,083.53	1,083.53
Total	**10,081.72**	**10,081.72**	11,096.41	11,096.41

Fair value hierarchy as at 31st March, 2022

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
– Investments in Equity	–	**6,629.48**	–	**6,629.48**
– Trade and other receivables	–	**2,964.80**	–	**2,964.80**
– Cash and cash equivalents	–	**617.59**	–	**617.59**
– Bank balances other than above	–	**330.25**	–	**330.25**
– Deposits and similar assets	–	**0.75**	–	**0.75**
Total	–	**10,542.87**	–	**10,542.87**

Fair value hierarchy as at 31st March, 2022

Particulars	Level 1	Level 2	Level 3	Total
Financial liabilities				
Financial Liabilities carried at amortised cost				
– Non Convertible Debentures	–	**4,500.00**	–	**4,500.00**
– Borrowings from bank	–	**3,182.45**	–	**3,182.45**
– Trade and other payables	–	**2,399.27**	–	**2,399.27**
Total	–	**10,081.72**	–	**10,081.72**

Fair value hierarchy as at 31st March, 2021

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
– Investments in Equity	–	6,629.48	–	6,629.48
– Trade and other receivables	–	402.79	–	402.79
– Cash and cash equivalents	–	44.43	–	44.43
– Bank balances other than above	–	217.39	–	217.39
– Deposits and similar assets	–	0.75	–	0.75
Total	–	7,294.84	–	7,294.84
Financial liabilities				
Financial Liabilities carried at Amortised Cost				
– Debentures		4,500.00		4,500.00
– Term Loan from Axis Bank	–	1,500.00	–	1,500.00
– Loans from related parties	–	300.00	–	300.00
– Borrowings from bank	–	3,617.31	–	3,617.31
– Current maturities of long term debt	–	95.57	–	95.57
– Trade and other payables	–	1,083.53	–	1,083.53
Total	–	11,096.41	–	11,096.41

For recurring and non-recurring fair value measurements, if the highest and best use of a nonfinancial asset differs from its current use, an entity shall disclose that fact and why the non-financial asset is being used in a manner that differs from its highest and best use.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

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The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Note No. 32- INDAS 115 Disclosures

1 Contract Balances

Amounts received before the related performance obligation is satisified are included in the balance sheet (Contract liability) as "Advances received from Customers". Amounts billed for development milestone achieved but not yet paid by the customer are included in the balance sheet under trade receivables.

During the year, the Company recognised Revenue of Rs. 3,309.64 lakhs (FY 20-21 Rs. Nil) from opening contract liability (after Ind AS 115 adoption) of Rs. 5,406.68 (FY 20-21 Rs. 3,256.46 lakhs).

There were no significant changes in the composition of the contract liabilities and trade receivable during the reporting period other than on account of periodic invoicing and revenue recognition.

Amounts previously recorded as contract liabilities increase due to further milestone based invoices raised during the year and decrease due to revenue recognised during the year on completion of the construction.

Amounts previously recorded as trade receivables increase due to further milestone based invoices raised during the year and decrease due to collection during the year.

There are no contract assets outstanding at the end of the year.

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31st March, 2022, is Rs. 5,913.08 Lakhs (as at 31st March, 2021 Rs. 5,406.68 lakhs). Out of this, the Company expects to recognize revenue of 100% within the next year. This includes contracts that can be terminated for convenience with a penalty as per the agreement since, based on current assessment, the occurrence of the same is expected to be remote.

2 Reconciliation of revenue recognized with the contracted price is as follows:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Contracted price	**10,033.57**	1,550.00
Adjustments on account of cash discounts or early payment rebates, etc	**–**	–
Revenue recognised as per Statement of Profit & Loss	**10,033.57**	1,550.00

3 Contract costs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Costs to obtain contracts	**212.16**	83.80

For the year ended 31st March 2022, amortisation amounting to Rs. 49.56 lakhs (FY 20-21 Rs. 0.47 lakhs) is recognised as part of other expenses in the statement of profit and loss. There was no impairment loss in relation to the costs capitalised.

Note No. 33 - Employee Benefits

a) Defined Contribution plans

The Company makes Provident fund contribution to defined contribution plans for the employees. Under the scheme, the company is required to contribute a specified percentage of the payroll cost to the fund the benefits. The Company recognized Rs. 27.32 Lakhs (PY Rs. 27.77) for Provident fund & Other funds contributions in the statement of profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

b) Defined Benefit Plans

The Company's obligation towards gratuity is defined benefit plan. The gratuity expense is included under 'Employee Benefit Expenses' in Note 22 Employee benefits expense. The details of actuarial valuation are given below:

Gratuity:

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	Gratuity (Unfunded) 2021–22	Gratuity (Unfunded) 2020–21
a. Net Liabilities recognized in the balance sheet		
Present Value of Defined Benefit Obligation	**60.25**	48.03
Fair Value of Plan assets	**–**	–
Liabilities recognised in the balance sheet	**60.25**	48.03
b. Expense recognized in the Statement of Profit and Loss		
Past service cost	**–**	–
Current Service cost	**6.35**	7.46
Interest cost	**2.97**	3.41
Expected return on plan assets	**–**	–
Actuarial (gains) / Losses	**2.90**	(14.27)
Total expenses	**12.22**	(3.40)
c. Change in present value of Defined Benefit obligation		
Present Value of the obligation at the beginning of the year	**48.03**	53.34
Past service cost	**–**	–
Current Service cost	**6.35**	7.46
Interest Cost	**2.97**	3.41
Actuarial (Gains) /Losses	**2.90**	(14.27)
Benefits Paid	**–**	(1.91)

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

	Gratuity (Unfunded) 2021–22	Gratuity (Unfunded) 2020–21
Present value of the obligation as at the end of the year	**60.25**	48.03
d. Change in fair value of plan assets		
Present value of plan assets as the beginning of the year	–	–
Expected return on plan assets	–	–
Contributions made	–	–
Benefits paid and Charges	–	–
Present value of plan assets at the end of the year	**–**	**–**
e. Principal actuarial assumptions		
Discount Rate	**6.20%**	6.19%
Expected return on plan assets	**7.30%**	7.30%
Expected rate of Salary increase	**10.00%**	8.00%
Attrition Rate	**20.00%**	14.00%
Mortality	**LIC (2006–08) Ultimate mortality tables**	**LIC (2006–08) Ultimate mortality tables**

f. Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotions, increments and other relevant factors such as supply and demand in the employment market.

Particulars	**For the year ended 31st March, 2022**	For the year ended 31st March, 2021
Actuarial assumptions for long-term compensated absences		
Discount rate	**6.20%**	6.19%
Salary escalation	**10.00%**	8.00%
Attrition	**20.00%**	14.00%

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Year	Change in Assumption	Impact on defined benefit obligation: Increase in assumption	Impact on defined benefit obligation: Decrease in assumption
Discount Rate	2022	0.50%	58.86	61.72
	2021	0.50%	46.54	49.61
Salary Growth Rate	2022	0.50%	61.72	58.82
	2021	0.50%	49.65	46.49

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

Maturity profile of defined benefit obligation:

	As at 31st March, 2022	As at 31st March, 2021
Year 1	**10.32**	5.92
Year 2	**9.37**	5.70
Year 3	**8.45**	5.51
Year 4	**7.43**	5.15
Year 5	**6.61**	4.81
Next 5 Years	**23.04**	19.89

Note No. 34 - Financial Ratios

Particulars	Numerator	Denominator	Year ended March 31, 2022	Year ended March 31, 2021	% Variance	Reasons for Variance
a) Current Ratio	Current Assets	Current Liabilities	1.47	1.37	7.32%	–
b) Debt Equity Ratio	Net Debt	Equity	0.84	1.52	(44.90)%	Reduction in debt due to repayment of Loans and increase in equity due to current year profits
c) Debt Service Coverage Ratio (DSCR)	EBDITA	Total Debt	1.24	0.06	1972.04%	Higher profit in current year from last year due to higher revenue recognition
d) Return of Equity	PAT	Networth	28.29%	(3.27)%	(964.67)%	Higher profit in current year from last year due to higher revenue recognition
e) Inventory Turnover ratio	COGS	Average Inventory	0.43	0.03	1178.47%	Increase in COGS in current year due to higher revenue recognition
f) Trade Receivables turnover ratio	Turnover	Trade Receiavables (Average)	8.77	2.74	220.13%	Higher revenue recognition in current year due to completion of towers

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Numerator	Denominator	Year ended March 31, 2022	Year ended March 31, 2021	% Variance	Reasons for Variance
g) Trade Payable turnover ratio	COGS	Average Trade payable	3.50	0.34	920.80%	Increase in COGS in current year due to higher revenue recognition
h) Net capital turnover ratio,	Revenue from Operations	Average Working Capital	2.12	0.62	239.29%	Higher profit in current year from last year due to higher revenue recognition
i) Net profit ratio	PAT	Revenue	25.61%	(13.08)%	(295.83)%	Higher profit in current year from last year due to higher revenue recognition
j) Return on Capital employed	PAT	Capital employed	33.85%	(3.07)%	(1202.85)%	Higher profit in current year from last year due to higher revenue recognition

Schedule III require explanation where the change in the ratio is more than 25% as compared to the preceding year. Accordingly explanation is given only for the said ratios.

Note No. 35 - Additional regulatory information

a) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b) Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

d) Utilisation of borrowed funds and securities premium

The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

e) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

f) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

g) Registration of Charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period

h) Whistle Blower-

During the year ended March 31, 2022 and till the date of adoption of financial statements by board of directors, the Company did not received any whistle blower compliants.

i) Discrepancies between books of accounts & quarterly statements submitted to banks

The Company has duly complied with all the requirements of providing data/certificates in relation to various covenants with the banks and the information provided is in agreement with the books of accounts during the year ended March 31, 2022.

Note No. 36 - Leases

The Company has not applied the requirement of IND AS 116 to short-term leases of all assets that have a lease term of 12 months or less. Amount recognised in Statement of Profit and Loss Account is Rs 18.25 lakhs (FY 20-21- Rs.17.08 Lakhs)

Note No. 37 - Contingent Liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
Contingent Liabilities to the extent not provided		
Bank Guarantee	**50.67**	50.67
Bank Guarantee issued to **The Deputy Director Town and Country Planning**		

Note No. 38 - Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment -

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets –

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Note No. 39 - Additional Information to the Financial Statements

(a) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors. There are no overdue amounts payable to Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, as at the reporting date or anytime during the year and hence no interest has been paid or payable accordingly no additional disclosures have been made.

Sl No	Particulars	31st March, 2022	31st March, 2021
1	Dues remaining unpaid		
	Principal	**291.78**	67.68
	Interest	**–**	–
2	Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year		
	Principal paid beyond the appointed date	**–**	–
	Interest paid in terms of Section 16 of the MSMED Act	**–**	–
3	Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	**–**	–
4	Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	**–**	–
5	Amount of interest accrued and remaining unpaid	**–**	–

(b) Other Notes

i) The Company did not have any pending litigation which would impact its financial position.

ii) The Company did not have any material foreseeable losses on long term contracts. The company has not entered into any derivative contracts.

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

iv) The Company does not have any unhedged foreign currency exposures as on 31st March ,2022.

Note No. 40 - Merger of Mahindra Integrated Township Ltd (MITL) and Mahindra Residential Developers Ltd (MRDL) with Mahindra World City Developers Ltd (MWCDL)

Pursuant to approval received from the Boards of Mahindra Integrated Township Ltd (MITL), Mahindra Residential Developers Ltd (MRDL), a wholly owned subsidiary company of the Company and Mahindra World City Developers Ltd (MWCDL) for merger of MITL and MRDL with MWCDL, an application under Section 230 to 232 of the Companies Act, 2013 has been filed with National Company Law Tribunal, Chennai on 24th December, 2021 for seeking directions from NCLT, Chennai.

Note No. 41 - Approval of Financial Statements

The aforesaid financial statements have been approved by Company's board of directors and the authorised for issue in the meeting held on 22th April, 2022.

Note No 42 - Event after the reporting period

No material events have occurred after the Balance Sheet date and upto the approval of the financial statements.

Note No 43 - Previous year figures

The figures for previous year have been regrouped/reclassified wherever necessary to conform to current year's grouping/classification.

For and on behalf of the Board of Directors of Mahindra Integrated Township Limited

Ankit Shah
Company Secretary

Girish Agrawal
Chief Financial Officer

Vimal Agarwal
Director
DIN: 07296320

Parveen Mahtani
Director
DIN: 05189797

Place: Chennai
Date: 22nd April, 2022

Annexure A

Form AOC-I

Salient features of Financial Statements of Subsidiary as per Companies Act, 2013

Nature	Subsidiary
Name of Subsidiary	Mahindra Residential Developers Limited
The date since when subsidiary was acquired	01.02.2008
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
Share Capital	25.00
Reserves & Surplus	9,610.83
Total Assets	10,245.06
Total Liabilities	609.23
Investments	–
Turnover	228.09
Profit/(Loss) before taxation	215.03
Provision for taxation	63.75
Profit/(Loss) after taxation	151.28
Proposed Dividend	–
Extent of shareholding (in percentage)	**100%**

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MAHINDRA RESIDENTIAL DEVELOPERS LIMITED

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Mahindra Residential Developers Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, of its profit and total comprehensive income, its cash flows and its changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report and the related annexures, but does not include the Financial Statements and our Auditors' Report thereon.

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

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

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

Responsibilities of management 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. 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 financial 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 the 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 auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, 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 including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.

   (g) In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year and hence provisions of Section 197 of the Companies Act, 2013 are not applicable.

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

      (i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements (Refer Note 25 to the Financial Statements).

(ii) The Company did not have any long- term contracts which has any material foreseeable losses. The Company did not have any derivative contracts.

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

(iv) The management of the Company have represented to us respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(v) The management of the Company is represented to us that, to the best of their knowledge and belief, no funds have been received by the Company or any of such subsidiaries from any person(s) or entity(ies) including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(vi) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us nothing has come to our notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

(vii) The Company has not declared any dividend during the year.

For **B. K. Khare & Co.**
Chartered Accountants
(Firm's Registration Number 105102W)

Aniruddha Joshi
Partner
Membership No. 040852
UDIN:

Place: Mumbai
Date: 18th April, 2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Financial Statements of Mahindra Residential Developers Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements 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 and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, 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.

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.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Because of the inherent limitations of internal financial controls with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at 31st March, 2022, based on the criteria for internal financial control with reference to Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852
UDIN:

Place: Mumbai
Date: 18th April, 2022

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(b) The Property, Plant and Equipment were physically verified during the year by the Management and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have any immoveable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment during the year.

(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are done at reasonable intervals and no material discrepancies were noticed on physical verification.

(b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.

(iii) (a) According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to firms or any other parties. During the year, the Company has granted loans to a subsidiary of ultimate holding company and, the details of which are as under.

Particulars	Loans given during the year Rupees
Aggregate amount during the year- Subsidiary of Ultimate Holding Company	49,40,00,000
Balance outstanding as at the Balance Sheet date- Subsidiary of Ultimate Holding Company	49,40,00,000

(b) According to the information and explanations given to us, the terms and conditions of the loans granted by the Company to a Subsidiary of Ultimate Holding Company are not prejudicial to the Company's interest.

(c) According to the information and explanations given to us, Subsidiary of Ultimate Holding Company and Holding Company have been regular in repayment of principal amounts and payments of interest as per the stipulated terms.

(d) According to the information and explanations given to us, for a loan given to a Fellow Subsidiary as mentioned in paragraph (c) above, the Company has regularly received its principal amounts and payments of interest as per the stipulated terms.

(e) According to the information and explanations given to us, in respect of the loans granted to the parties mentioned in paragraph (a) above no loan has fallen due during the year.

(f) According to the information and explanations given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to loans granted, guarantees provided and investments made by the Company. The Company has not provided any security during the year to the parties covered under Sections 185 and 186 of the Act.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, where applicable. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies

(Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under subsection (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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

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

(b) There were no undisputed amounts payable in respect of Income-tax, Goods and Services Tax, Cess and other material statutory dues in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.

(c) The details of dues of Income-tax which have not been deposited as on 31st March, 2022 on account of disputes are given below

Name of the Statue	Nature of dues	Forum where dispute is pending	Period to which Amount relates	Amount unpaid (Rs. in Lakhs)
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	AY 2012-13 to AY 2014-15	365.77

(viii) In our opinion and according to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any loans or other borrowings during the year. Accordingly, the reporting under Clause 3(ix)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) In our opinion and according to the information and explanations given to us, the company has not raised any money by way of term loans during the year. Hence, reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long- term purposes as at the Balance Sheet date.

(e) In our opinion and according to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) In our opinion and according to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans. Accordingly, the reporting under clause (ix) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

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

(b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures, specified under Section 133 of the Act.

(xiv) (a) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Act.

(b) The Company did not have an internal audit system for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or directors of its holding company, subsidiary company or persons connected with them and hence provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause (xvi) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) and (d) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) a) According to the information and explanations given to us, in respect of other than ongoing projects, the Company has no unspent amount that needs to be transferred to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act.

b) According to the information and explanations given to us, in respect of ongoing projects, the Company has no unspent amount which needs to be transferred to a special account in compliance with sub-section (6) of Section 135 of the Act.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852
UDIN:

Place: Mumbai
Date: 18th April, 2022

BALANCE SHEET AS AT 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	3	**7.21**	8.65
(b) Financial Assets			
(i) Other Financial Assets	5	**34.91**	23.54
(c) Deferred Tax Assets	4	**60.20**	87.79
(d) Other Non-current Assets	6	**867.72**	816.51
Total Non-Current Assets		**970.04**	936.49
CURRENT ASSETS			
(a) Inventories	7	**3,173.30**	3,057.58
(b) Financial Assets			
(i) Trade Receivables	8	**–**	76.04
(ii) Cash and Cash Equivalents	9	**405.93**	1,405.75
(iii) Bank balances other than (ii) above	9	**–**	70.50
(iv) Other Financial Assets	5	**5,111.92**	4,595.17
(c) Other Current Assets	6	**583.87**	526.04
Total Current Assets		**9,275.02**	9,731.08
Total Assets		**10,245.06**	10,667.57
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	10	**25.00**	25.00
(b) Other Equity	11	**9,610.83**	9,459.55
Total Equity		**9,635.83**	9,484.55
LIABILITIES			
2 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Trade Payables			
total outstanding dues of micro enterprises and small enterprises	13	**–**	51.68
total outstanding dues of creditors other than micro enterprises and small enterprises		**498.18**	822.11
(ii) Other Financial Liabilities	12	**7.68**	47.58
(b) Provisions	14	**71.65**	68.52
(c) Other Current Liabilities	15	**31.72**	193.13
Total Current Liabilities		**609.23**	1,183.02
Total Liabilities		**609.23**	1,183.02
Total Equity and Liabilities		**10,245.06**	10,667.57
Summary of Significant Accounting Policies	2		

The accompanying notes 1 to 37 are an integral part of these financial statements

In terms of our report of even date

For **B.K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.- 040852

Place: Chennai
Date: 18th April, 2022

For and on behalf of the board of directors of
Mahindra Residential Developers Limited

Vimal Agarwal
DIN No. 07296320

Vimalendra Singh
DIN No. 09128114

Place: Chennai
Date: 18th April, 2022

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Note No.	**Year ended 31st March, 2022**	Year ended 31st March, 2021
REVENUE			
Revenue from operations	16	**228.09**	1,721.12
Other Income	17	**474.59**	443.87
Total Income		**702.68**	2,164.99
EXPENSES			
Cost of Sales	18	**170.01**	1,351.61
Finance costs	19	**13.92**	7.36
Depreciation expense	3	**1.44**	1.44
Other expenses	20	**302.28**	322.36
Total Expenses		**487.65**	1,682.77
Profit/(Loss) before tax		**215.03**	482.22
Tax Expense			
Current tax	4a	**36.15**	125.83
Deferred tax	4a	**27.60**	10.78
Total Tax Expenses		**63.75**	136.61
Profit/(Loss) after tax		**151.28**	345.61
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of the defined benefit plans		**–**	–
(b) Income tax relating to Items that will not be reclassified to profit or loss		**–**	–
Total Other Comprehensive Income		**–**	–
Total Comprehensive Income		**151.28**	345.61
Profit from continuing operations for the year attributable to:			
Owners of the Company		**151.28**	345.61
Earnings per equity share (face value of Rs. 10/- each)			
Basic/Diluted in Rs.	21	**60.51**	138.24
Summary of Significant Accounting Policies	2		

The accompanying notes 1 to 37 are an integral part of these financial statements

In terms of our report of even date

For **B.K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.- 040852

Place: Chennai
Date: 18th April, 2022

For and on behalf of the board of directors of
Mahindra Residential Developers Limited

Vimal Agarwal
DIN No. 07296320

Vimalendra Singh
DIN No. 09128114

Place: Chennai
Date: 18th April, 2022

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Cash flows from operating activities		
Profit before tax	**215.03**	482.22
Adjustments for:		
Finance costs	**13.92**	7.36
Interest Income	**(405.33)**	(432.57)
Depreciation	**1.44**	1.44
Movements in working capital:		
Decrease in trade and other receivables	**76.04**	651.45
(Increase) / Decrease in inventories	**(115.72)**	1137.9
(Increase) / Decrease in other assets	**(57.83)**	30.73
(Increase) / Decrease in other financial assets	**(11.37)**	2.53
(Decrease) in trade and other payables	**(376.30)**	(111.08)
(Decrease) in financial liabilities	**(39.90)**	(34.40)
(Decrease) in other liabilities	**(2.81)**	(5.50)
(Decrease) in deferred revenue	**(157.90)**	(908.05)
Increase in provisions	**3.13**	11.74
Cash (used in) / generated from operations	**(857.60)**	833.77
Income taxes paid	**(87.36)**	(69.85)
Net cash (used in) / generated from operating activities	**(944.96)**	763.92
Cash flows from investing activities		
Interest received	**328.58**	410.49
Bank balances not considered as Cash and Cash Equivalents	**70.50**	28.46
Inter-corporate deposits given to related parties	**(4,940.00)**	(2,900.00)
Inter-corporate deposits repaid by related parties	**4,500.00**	2,995.00
Net cash (used in) / generated from investing activities	**(40.92)**	533.95
Cash flows from financing activities		
Dividend paid (including Dividend Distribution Tax)	**–**	–
Interest paid	**(13.94)**	(7.36)
Net cash(used in) / generated from financing activities	**(13.94)**	(7.36)
Net Increase/(Decrease) in cash and cash equivalents	**(999.82)**	1,290.51
Cash and cash equivalents at the beginning of the year	**1,405.75**	115.24
Cash and Cash equivalents at the end of the year	**405.93**	1,405.75

The above Cash Flow Statement has been prepared under the “indirect method” as set out in ‘Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows’.

Summary of Significant Accounting Policies (refer note 2)

The accompanying notes 1 to 37 are an integral part of these financial statements

In terms of our report of even date

For **B.K. Khare & Co.**

Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.- 040852

Place: Chennai
Date: 18th April, 2022

For and on behalf of the board of directors of

Mahindra Residential Developers Limited

Vimal Agarwal
DIN No. 07296320

Vimalendra Singh
DIN No. 09128114

Place: Chennai
Date: 18th April, 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Share Capital	Other Equity			
	Equity Share Capital	Securities Premium	Capital Redemption Reserves	Retained Earnings	Total
Balance as at 1st April, 2020	25.00	5,435.33	1.00	3,677.61	9,113.94
Profit for the year				345.61	345.61
Balance as at 31st March, 2021	25.00	5,435.33	1.00	4,023.22	9,459.55

Particulars	Share Capital	Other Equity			
	Equity Share Capital	Capital Redemption Reserve	Debenture Redemption Reserve	Retained Earnings	Total
Balance as at 1st April, 2021	25.00	5,435.33	1.00	4,023.22	9,459.55
Profit for the year				151.28	151.28
Balance as at 31st March, 2022	**25.00**	**5,435.33**	**1.00**	**4,174.50**	**9,610.83**

Summary of Significant Accounting Policies (refer note 2)

The accompanying notes 1 to 37 are an integral part of these financial statements

In terms of our report of even date

For **B.K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.- 040852

Place: Chennai
Date: 18th April, 2022

For and on behalf of the board of directors of
Mahindra Residential Developers Limited

Vimal Agarwal
DIN No.07296320

Vimalendra Singh
DIN No. 09128114

Place: Chennai
Date: 18th April, 2022

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

1. General Information

Mahindra Residential Developers Limited ("the Company") was incorporated on February 1, 2008.

The Company is a Co-developer, approved under Special Economic Zone Act, 2005, engaged in development of township including residential infrastructure in Mahindra World City SEZ and giving it on perpetual lease. The address of its registered office and principal place of business is Administrative Block, Central Avenue, Mahindra World City, Chengalpet, Kancheepuram – 603 002.

The level of activity carried out by the Company depends on the number of projects handled and accordingly the revenue from operations may not be comparable on a year-to-year basis.

2. Significant Accounting Policies

2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of Act.

2.2 Basis of measurement

2.2.1 Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2.2 Measurement of Fair Values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis as applicable, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in IND AS 2- Inventories or value in use in IND AS 36-Impairment of Assets.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.3 Revenue from Contracts and Customers

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

2.3.1 Revenue from Projects

The Company develops and sells residential and commercial properties. Revenue from contracts is recognised when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognised at a point in time i.e Completed contract method of accounting as per IND AS 115 when (a) the seller has transferred all significant risks and rewards of ownership and the seller retains no effective control of the real estate to a degree usually associated with the ownership, (b) The seller has effectively handed over the possession of the real estate unit to the buyer forming part of the transaction; (c) No significant uncertainty exists regarding the amount of consideration that will be derived from real estate sales; and (d) it is not unreasonable to expect ultimate collection of revenue from buyers. The revenue is measured at the transaction price agreed under the contract.

The Company invoices the customers for construction contracts based on achieving a series of performance-related milestones.

For certain contracts involving the sale of property under development, the Company offers deferred payment schemes to its customers. The Company adjusts the transaction price for the effects of the significant financing component.

2.3.2 Contract Costs

Costs to obtain contracts ("Contract costs") relate to fees paid for obtaining property sales contracts. Such costs are recognised as assets when incurred and amortised upon recognition of revenue from the related property sale contract.

2.3.3 Significant accounting judgements, estimates and assumptions

2.3.3.1 Determining the timing of revenue recognition on the sale of completed and under development property

The Company has generally evaluated and concluded that based on an analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate. The Company has concluded that the overtime criteria are not met owing to non-enforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time.

2.3.3.2 Determination of performance obligations

With respect to the sale of property, the Company has concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the Company is responsible for all these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Company accounts for them as a single performance obligation because they are not distinct in the context of the contract.

2.3.4 Dividend and interest income

Dividend income from investments in mutual funds is recognised when the unit holder's right to receive payment has been established.

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

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

2.4 Current versus non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Based on the nature of activity carried out by the Company and the period between the procurement and realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 5 years for the purpose of Current – Non Current classification of assets and liabilities.

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Borrowings are classified as current if they are due to be settled within 12 months after the reporting period.

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

2.6 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.6.1 Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The Company's current tax is calculated using tax rate that has been enacted or substantively enacted by the end of the reporting period.

2.6.2 Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

2.6.3 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

2.6.4 Current and deferred tax for the year

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

2.7 Property, plant and equipment (PPE)

PPE are stated in the balance sheet at cost less accumulated depreciation.

Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss. PPE held for disposal are valued at estimated net realizable value.

Depreciation on PPE has been provided on pro-rata basis, on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Lease hold improvements are amortised over the period of lease/ estimated period of lease.

2.8 Impairment of PPE

At the end of each reporting period, the Company reviews the carrying amounts of its PPE to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

2.9 Inventories

Inventories are stated at lower of cost and net realisable value. The cost of construction material is determined on the basis of weighted average method. Construction Work-in-Progress includes cost of land, premium for development rights, construction costs and allocated interest and manpower costs and expenses incidental to the projects undertaken by the Company.

2.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.11 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.12 Foreign currencies

Transactions in foreign currencies i.e. other than the Company's functional currency are recognised at the rates of exchange prevailing at the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) because of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.14 Contingent liabilities

Contingent liability is disclosed in case of:

a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

b) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets

Contingent assets are disclosed where an inflow of economic benefits is probable.

2.15 Financial instruments

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

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

2.15.1 Classification and subsequent measurement

2.15.1.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as - measured at:

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) - debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) - equity investment; or
- Fair Value Through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Any gain and loss on derecognition is recognised in the statement of profit and loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Debt investment at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long term strategic purpose.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in statement of profit and loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

2.15.1.2 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

2.15.2 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

2.16 Earnings per Share

Basic / Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

2.17 Goods and Services tax input credit

Goods and Services tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

2.18 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 1, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements based on estimates and assumptions, which have the significant effect on the amounts recognised in the financial statements.

(a) Determination of the timing of revenue recognition on the sale of completed and under development property

The Company has evaluated and generally concluded that the recognition of revenue over the period of time criteria are not met owing to non-enforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time. The Company has further evaluated and concluded that based on the analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate.

(b) Determination of performance obligation

With respect to the sale of property, the Company has evaluated and concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the Company is responsible for all these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Company accounts for them as a single performance obligation because they are not distinct in the context of the contract.

(c) Taxes

Deferred tax assets are recognised for temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Note No. 3 - Property, Plant and Equipment

Description of Assets	Office Equipments	Total
I. Gross Carrying Amount		
Balance as at 1st April, 2021	11.53	11.53
Additions	–	–
Balance as at 31st March, 2022	**11.53**	**11.53**
II. Accumulated depreciation		
Balance as at 1st April, 2021	2.88	2.88
Depreciation expense for the year	1.44	1.44
Balance as at 31st March, 2022	**4.32**	**4.32**
III. Net carrying amount as at 31st March, 2022 (I-II)	**7.21**	**7.21**

Description of Assets	Office Equipments	Total
I. Gross Carrying Amount		
Balance as at 1st April, 2020	11.53	11.53
Additions	–	–
Balance as at 31st March, 2021	**11.53**	**11.53**
II. Accumulated depreciation		
Balance as at 1st April, 2020	1.44	1.44
Depreciation expense for the year	1.44	1.44
Balance as at 31st March, 2021	**2.88**	**2.88**
III. Net carrying amount as at 31st March, 2021 (I-II)	**8.65**	**8.65**

4 - Tax Expense

(a) Tax Expense recognised in Statement of Profit & Loss

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Current Tax:		
In respect of current year.............	36.15	125.83
Deferred Tax:		
In respect of current year origination and reversal of temporary differences...................	27.60	10.78
Total...	**63.75**	**136.61**

(b) Reconciliation of estimated income tax expense at tax rate to income tax expense reported in the Statement of Profit and Loss is as follows:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Profit/ (Loss) before tax	215.03	482.22
Income tax expense calculated at 27.82%	59.82	134.15
Others..	3.93	2.46
Income tax credit recognised in profit or loss...............................	**63.75**	**136.61**

The tax rate used for the 31st March, 2022 and 31st March, 2021 reconciliations above is the corporate tax rate of 27.82% payable by corporate entities in India on taxable profits under Indian Income Tax Laws.

(c) Amounts on which deferred tax asset has not been created:

Deferred tax assets(MAT Credit) have not been recognised based on the analysis and judgement of the management of the profitability of the existing projects on hand / pipeline and in accordance with the accounting policy consistently followed by the Company and the balance as given below have not been recognised.

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unused tax credits -MAT (with year of expiry of the MAT credit)		
– MAT Credit of FY 2011-12(Expiry-2026-27)	63.12	63.12
– MAT Credit of FY 2012-13(Expiry-2027-28)	219.44	219.44
– MAT Credit of FY 2013-14(Expiry-2028-29)	870.18	870.18
– MAT Credit of FY 2014-15(Expiry-2029-30)	272.26	272.26
– MAT Credit of FY 2015-16(Expiry-2030-31)	32.94	32.94
– MAT Credit of FY 2017-18(Expiry-2032-33)	49.60	49.60
Total	1,507.54	1,507.54

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

(d) Deferred Tax Assets

	As at 31st March, 2022				
Particulars	**Opening Balance**	**Recognised in profit and Loss**	**Recognised in other comprehensive income**	**Other Adjustments**	**Closing Balance**
Minimum Alternate Tax (MAT)	87.79	(27.60)	–	0.01	60.20
Net Deferred Tax Asset	**87.79**	**(27.60)**	**–**	**0.01**	**60.20**

	As at 31st March, 2021				
Particulars	**Opening Balance**	**Recognised in profit and Loss**	**Recognised in other comprehensive income**	**Other Adjustments**	**Closing Balance**
Tax impact of adjustment pursuant INDAS 115	10.78	–	(10.78)	–	0.00
Minimum Alternate Tax (MAT)	134.59	(46.80)	–	–	87.79
Net Deferred Tax Asset	**145.37**	**(46.80)**	**(10.78)**	**–**	**87.79**

Note No. 5 - Other Financial Assets

	As at 31st March, 2022		As at 31st March, 2021	
Particulars	**Current**	**Non-Current**	**Current**	**Non-Current**
a) **Security Deposits**				
– Unsecured, considered good	**0.77**	**34.91**	0.77	23.54
b) **Interest Receivable**				
– Interest accrued on deposits, loans and advances	**0.87**	**–**	10.12	–
– Interest accrued on ICD	**170.28**	**–**	–	–
– Interest on Loans and Advances	**–**	**–**	84.28	–
c) **Loan to related party**	**4,940.00**	**–**	4,500.00	–
Total	**5,111.92**	**34.91**	4,595.17	23.54

Note No. 6 - Other Assets

	As at 31st March, 2022		As at 31st March, 2021	
Particulars	**Current**	**Non-Current**	Current	Non-Current
(a) **Advances other than capital advances**				
(i) Balances with government authorities (other than income taxes)	**548.90**	**–**	522.13	–
(ii) Other advances (Mobilisation & Material Advances to Contractors)	**34.97**	**–**	3.21	–
(b) **Advance income tax**	**–**	**867.72**	–	816.51
(c) **Prepaid Expenses**	**–**	**–**	0.70	–
	583.87	**867.72**	526.04	816.51

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Note No. 7 - Inventories

Particulars	As at 31st March, 2022	As at 31st March, 2021
Construction Materials#	246.20	245.66
Construction Work-in-progress*	2,832.38	2,547.83
Finished goods	94.72	264.09
Total Inventories (at lower of cost and net realisable value)	**3,173.30**	3,057.58

* Construction Work-in-Progress represents materials at site and construction cost incurred for the projects.

\# Construction Materials primarily comprises of Steel, Cement, Chrome plated & Sanitary Fixtures and UPVC windows which are used for construction activities.

The cost of inventories recognised as an expense during the year in respect of continuing operations is Rs. 170.01 lakhs (Marh 31, 2021- Rs. 1,351.61 lakhs).

Based on detailed assessment and evaluation of impact of the COVID-19 epidemic, the management concluded that realiseable value of these inventories will not be lower than the carrying value.

Note No. 8 - Trade Receivables

Particulars	As at 31st March, 2022	As at 31st March, 2021
	Current	Current
Trade receivables		
(a) Considered good- unsecured	–	76.04
(b) Credit Impaired	**9.70**	–
Less: Allowance for credit Losses	**(9.70)**	–
Total	–	76.04

Note No. 8a - Movement in the allowance for credit losses

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance at beginning of the year	–	–
Addition during the year	**9.70**	–
Total	**9.70**	–

Refer Note 24 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related financial instrument disclosures.

The average credit period in the range of 7-31 days on lease of residential property as per the agreement with customers.

Note No. 8b - Ageing for trade receivables from the due date of payment for each of the category is as follows:

Particulars	Outstanding from date of transaction/booking As at 31st March, 2022	Outstanding from date of transaction/booking As at 31st March, 2021
Undisputed Trade Receivable - Considered good - unsecured	–	76.04
Not Due	–	–
0 months - 6 months	–	44.36
6 months -1 year	–	–
1-2 Years	–	3.77
2-3 years	–	25.36
More than 3 years	–	2.55
Undisputed Trade Receivable - Credit impaired	9.70	–
Not Due	–	–
0 months - 6 months	–	–
6 months - 1 year	–	–
1-2 Years	**0.00**	–
2-3 years	**3.76**	–
More than 3 years	**5.94**	–
Disputed Trade Receivables- which have significant increase in credit risk	–	–
Disputed Trade Receivables- credit impaired	–	–
Total	**9.70**	76.04

Note No. 9 - Cash and Bank Balances

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash and cash equivalents		
Balances with banks		
– On current accounts	**10.93**	75.75
– Fixed deposits with original maturity of less than three months	**395.00**	1,330.00
Total Cash and cash equivalent (considered in Statement of Cash Flows)	**405.93**	1,405.75
Bank Balances other than Cash and cash equivalents		
– Earmarked Deposit account with scheduled banks#	–	70.50
Total Other Bank balances	–	70.50

\# Earmarked balances with banks refers to Fixed Deposits with bank created out of Corpus and Advance maintenance Charges collected from customers.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Note No. 10 - Equity Share Capital

Particulars	As at 31st March, 2022 No. of shares	As at 31st March, 2022 Amount	As at 31st March, 2021 No. of shares	As at 31st March, 2021 Amount
Authorised:				
Equity shares of Rs. 10 each with voting rights	**4,50,000**	**45.00**	4,50,000	45.00
Issued, Subscribed and Fully Paidup:				
Equity shares of Rs. 10 each with voting rights*	**2,50,000**	**25.00**	2,50,000	25.00
Total	**2,50,000**	**25.00**	2,50,000	25.00

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	Opening Balance	Change during the year	Closing Balance
Equity Shares with Voting rights*			
As at 31st March, 2022			
No. of Shares	**2,50,000**	**–**	**2,50,000**
Amount in Lakhs	**25.00**	**–**	**25.00**
As at 31st March, 2021			
No. of Shares	2,50,000	–	2,50,000
Amount in Lakhs	25.00	–	25.00

* **Terms/ rights attached to equity shares:** The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. Dividends are paid in Indian Rupees. The dividends proposed by the Board of Directors are subject to the approval of the shareholders at the Annual General Meeting. Repayment of capital will be in proportion to the number of equity shares held.

(ii) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31st March, 2022 No.	As at 31st March, 2022 % holding in the class	As at 31st March, 2021 No.	As at 31st March, 2021 % holding in the class
Equity shares with voting rights:-				
Mahindra Integrated Township Limited, Holding Company	**2,50,000**	**100.00%**	2,50,000	100.00%

(iii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	No. of Shares Equity Shares with Voting rights
As at 31st March, 2022	
Mahindra Integrated Township Limited, Holding Company	**2,50,000**
As at 31st March, 2021	
Mahindra Integrated Township Limited, Holding Company	2,50,000

Note No. 11 - Other Equity

Particulars	As at 31st March, 2022	As at 31st March, 2021
Retained earnings	**4,174.50**	4,023.22
Securities Premium	**5,435.33**	5,435.33
Capital Redemption Reserve	**1.00**	1.00
Total Other Equity	**9,610.83**	9,459.55

Description of the nature and purpose of Other Equity:

Retained Earnings: This reserve represents cumulative profits of the Company. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.

Securities Premium: The Securities Premium is created on issue of shares at a premium. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.

Capital Redemption Reserve: The Capital Redemption Reserve was created against redemption of Preference Shares.

Note No. 12 - Other Financial Liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
Other liabilities		
Deposits from customers*	**7.68**	47.58
Total Other financial liabilities	**7.68**	47.58

* refers to amount collected from customers towards "Advance maintenance and Corpus fund" net off amount receivable.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Note No. 13 - Trade Payables

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade Payables		
Trade payable - micro and small enterprises*	–	51.68
Trade payable - Other than micro and small enterprises	**481.93**	734.50
Retention Amounts payable	**16.24**	87.61
Total Trade Payables	**498.17**	873.79

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business. The average credit period in the range of 7-31 days as per the agreement with Contractors/ Suppliers.

* This information has been determined to the extent such parties have been identified on the basis of the intimation received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

Note No. 13a - Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

	Particulars	As at 31st March, 2022	As at 31st March, 2021
a)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	–	51.68
b)	The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	–	–
c)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	–	–
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	–	–
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	–	–
Total		–	–

Note No. 13b - Ageing for trade payable from the due date of payment for each of the category is as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Undisputed dues of micro enterprises and small enterprises		
Unbilled	–	–
Not Due	–	51.68
0 months - 1 year	–	–
1-2 Years	–	–
2-3 years	–	–
More than 3 years	–	–
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled	**210.83**	330.33
Not Due	**149.88**	–
0 months - 1 year	**103.40**	66.65
1-2 Years	**1.71**	–
2-3 years	**7.21**	63.02
More than 3 years	**25.14**	362.11
Disputed Dues- Micro, Small and Medium enterprises	–	–
Disputed Dues- Others	–	–
Total	**498.17**	873.79

Note No. 14 - Provisions

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non Current Provisions		
Defect Liability Provision	**71.65**	68.52
Total Non Current Provisions	**71.65**	68.52

Defect Liability Provision:

Provision for defect liability represents present value of management's best estimate of the future outflow of economic resources that will be required in respect of residential units given under perpetual lease, the estimated cost of which is accrued during the period of construction, upon lease of units and recognition of related revenue. Management estimates the related provision for future defect liability claims based on historical cost of rectifications and is adjusted regularly to reflect new information. The residential units are generally covered under a defect liability period limited to 5 year from the date of handover of residential units. It is expected that most of these costs will be incurred within two years after the reporting date.

Note No. 15 - Other Current Liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
a. Advances received from customers	**24.57**	32.58
b. Deferred Revenue	–	157.90
c. Statutory dues		
– taxes payable (other than income taxes)	**7.15**	2.65
Total Other Current Liabilities	**31.72**	193.13

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Note No. 16 - Revenue from Operations

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Income from projects (Refer note no. 28)	**225.63**	1,683.82
Income from Cancellations	**2.46**	37.30
Total Revenue from Operations	**228.09**	1,721.12

Note No. 17 - Other Income

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Interest Income on Financial assets that are not designated as Fair Value through Profit and Loss	**406.19**	440.80
Bank Deposits	**30.48**	17.20
Interest Inter Corporate Deposits	**374.85**	415.37
Others	**0.86**	8.23
Other income	**68.40**	3.07
Total Other Income	**474.59**	443.87

Note No. 18 - Cost of Sales

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Inventories at the beginning of the year (A)	**3,057.58**	4,195.48
Stock-in-trade	**245.66**	250.32
Construction Work-in-progress	**2,547.83**	2,316.63
Finished goods	**264.09**	1,628.53
Add: Expenses Incurred during the year (B)	**285.73**	113.71
Land and Construction Costs	**194.55**	45.41
Architect & Consultant Fees	**9.85**	7.75
Project Management Fees	**71.61**	48.90
Other Expenses	**9.73**	11.65
Provisions/(Reversal) (C)	**–**	100.00
Inventories at the end of the year (D)	**3,173.30**	3,057.58
Stock-in-trade	**246.20**	245.66
Construction Work-in-progress	**2,832.38**	2,547.83
Finished goods	**94.72**	264.09
Total (A+B+C–D)	**170.01**	1,351.61

Note No. 19 - Finance Costs

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Interest Costs	**13.92**	7.36
Total Finance Costs	**13.92**	7.36

Note No. 20 - Other Expenses

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Rent including lease rentals	**4.36**	4.36
Rates & Taxes	**17.33**	79.70
Repairs and maintenance - Others	**154.59**	54.87
Advertisement and Marketing	**26.76**	41.04
Commission on sales / contracts (net)	**6.53**	21.63
Travelling and Conveyance Expenses	**1.35**	4.29
Defect liability (net)	**2.47**	11.74
Expenditure on corporate social responsibility (CSR)*	**12.41**	12.14
Staff Deputation Costs	**48.99**	43.11
Auditors remuneration and out-of-pocket expenses		
As Statutory Auditors	**4.00**	4.00
For Other services	**2.35**	2.10
Legal and other professional costs	**15.08**	37.47
Other General Expenses	**6.06**	5.91
Total Other Expenses	**302.28**	322.36

* Details of expenditure on Corporate Social Responsibility

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Sanitation	**–**	6.07
Contribution to approved NGO (Nanhi Kali foundation)	**–**	6.07
K C Mahindra Education Trust	**6.21**	–
Parishar Asha	**0.11**	–
World Vision India	**6.09**	–
Total CSR Expense	**12.41**	12.14

Note No. 21 - Earnings per Share

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Profit for the year attributable to owners of the Company	**151.28**	345.61
Weighted average number of equity shares (in nos)	**2,50,000**	2,50,000
Basic and Diluted Earning per share (in face value of Rs. 10/- per share) (in Rs.)	**60.51**	138.24

Note No. 22 - Segment information

Business segments

The Company operates in only one business segment, i.e. 'lease of residential property constructed' based on the nature of the services and products, the risks and returns etc. This has been determined in the manner consistent with the internal reporting provided to the Chairperson regarded as the Chief Operating Decision Maker ("CODM"). The Company operates only in India. The conditions prevailing in India being uniform, no separate geographical disclosure within India is considered necessary.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Note No. 23 - Contingent liabilities

Income Taxes

Particulars	As at 31st March, 2022	As at 31st March, 2021
Contingent liabilities (to the extent not provided for)		
Income tax demands (to the extent not recognised in the books)		
FY 2011-12 (Assessment Year 2012-13)	**121.05**	121.05
FY 2012-13 (Assessment Year 2013-14)	**121.39**	121.39
FY 2013-14 (Assessment Year 2014-15)	**869.63**	869.63
Total	**1,112.07**	1,112.07

The above amounts are based on demand raised, which the Company is contesting with the concerned authorities. Outflows, if any, arising out of this claim would depend on the outcome of the decision of the appellate authorities, Courts and Company's rights for future appeals.

Note No. 24 - Financial Instruments

Capital management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary. There is no change in the overall capital risk management strategy of the Company compared to last year.

The Company is not subject to externally enforced regulation.

Categories of financial assets and financial liabilities

As at 31st March, 2022

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Financial Assets Measured at Amortised Cost	**34.91**	**–**	**–**	**34.91**
Current Assets				
Trade Receivables	**–**	**–**	**–**	**–**
Cash and Cash equivalents	**405.93**	**–**	**–**	**405.93**
Bank Balances other than above	**–**	**–**	**–**	**–**
Other Financial Assets	**5,111.92**	**–**	**–**	**5,111.92**
	5,552.76	**–**	**–**	**5,552.76**
Current Liabilities				
Trade Payables	**498.18**	**–**	**–**	**498.18**
Other Financial Liabilities	**7.68**			**7.68**
	505.86	**–**	**–**	**505.86**

As at 31st March, 2021

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Financial Assets Measured at Amortised Cost	23.54	–	–	23.54
Current Assets				
Trade Receivables	76.04	–	–	76.04
Cash and Cash equivalents	1,405.75	–	–	1,405.75
Bank Balances other than above	70.50	–	–	70.50
Other Financial Assets	4,595.17	–	–	4,595.17
	6,171.00	–	–	6,171.00
Current Liabilities				
Trade Payables	873.79	–	–	873.79
Other Financial Liabilities	47.58			47.58
	921.37	–	–	921.37

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

CREDIT RISK

(i) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from trade receivables, cash and cash equivalents, mutual Funds & other financial assets.

(ii) Trade Receivables:

The Company's trade receivables include receivables on lease of residential flats and rent maintenance receivable. As per the Company's flat handover policy, a flat is handed over to a customer only upon payment of entire amount of consideration. The rent maintenance receivables are secured by security deposits obtained under the lease agreement. Thus, the Company is not exposed to any credit risk on receivables from sale of residential flats and rent receivables. However owing to COVID-19 pandemic outbreak the Company expects considerable slow down in collections of existing receivables and delay in billing further milestones owing to lockdown.

(iii) Cash and Cash Equivalents & Other Financial Assets

For banks and financial institutions, only high rated banks/institutions are accepted. The Company holds cash and cash equivalents with bank and financial institution counterparties, which are having highest safety ratings based on ratings published by various credit rating agencies. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial liabilities				
31st March, 2022				
Trade Payables	**498.18**	–	–	–
Other Current Financial Liabilities	**7.68**	–	–	–
Total	**505.86**	–	–	–
31st March, 2021				
Trade Payables	873.79	–	–	–
Other Current Financial Liabilities	47.58	–	–	–
Total	921.37	–	–	–

The amounts included above for financial guarantee contracts are the maximum amounts the Company could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Companyconsiders that it is more likely than not that such an amount will not be payable under the arrangement.

(iii) Financing arrangements

The Company has no borrowing facilities at the end of the reporting period

(iv) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial Assets				
31st March, 2022				
Cash and Cash equivalents	**405.93**	**–**	–	–
Security Deposits	**0.77**	**34.91**		
Interest receivables	**171.15**			
Loans to Related Parties	**4,940.00**			
Other Current Financial Assets	**–**	**–**	–	–
Total	**5,517.85**	**34.91**	–	–
31st March, 2021				
Trade Receivables	76.04	–	–	–
Cash and Cash equivalents	1,405.75	–	–	–
Bank balances other than above	70.50	–	–	–
Security Deposits	0.77	23.54	–	–
Interest receivables	94.40	–	–	–
Loans to Related Parties	4,500.00	–	–	–
Total	6,147.46	23.54	–	–

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivatives to manage market risks. Derivatives are only used for economic hedging purposes and not as speculative investments. All such transactions are carried out within the guidelines set by the Board of Directors and Risk Management Committee.

There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

Currency Risk

The Company undertakes transactions denominated only in India Rupees and hence there is no risk of foreign exchange fluctuations.

Note No. 25 - Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

COVID-19 Impact assessment :

The Company is actively monitoring the impact of the global health pandemic on its financial condition, liquidity, operations, suppliers, industry, and workforce. The Company has used the principles of prudence in applying judgments, estimates and assumptions based on the current estimates. In assessing the recoverability of assets such as inventories, financial assets and other assets, based on current indicators of future economic conditions, the Company expects to recover the carrying amounts of its assets. The extent to which COVID-19 impacts the operations will depend on future developments which remain uncertain.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Note No. 26 - Related Party Transactions

a) Names of related parties and nature of relationship where control exists:

Ultimate Parent Company	Mahindra & Mahindra Limited (M & M)
Parent of the Holding Company	Mahindra Lifespace Developers Limited (MLDL)
Holding Company	Mahindra Integrated Township Limited (MITL)

b) Fellow Subsidiary & Joint Venture of MLDL with whom transactions have been entered

Fellow Subsidiary	Mahindra Integrated Business Solutions Limited (MIBS)
Joint Venture of MLDL	Mahindra World City Developers Limited (MWCDL)

Details of transaction between the Company and its related parties are disclosed below:

Particulars	For the year ended	Ultimate Holding Company	Parent of Holding Company	Holding company	Fellow Subsidiary	Joint Venture of MLDL
Nature of transactions with Related Parties						
Interest Income	31-Mar-22	–	–	12.78	–	362.07
	31-Mar-21	–	–	73.85	–	259.60
Dividend paid	31-Mar-22	–	–	–	–	–
	31-Mar-21	–	–	–	–	–
Marketing Expenses-sharing expenses	31-Mar-22	–	5.67	–	–	–
	31-Mar-21	–	4.77	–	–	–
Purchase of Materials and Services	31-Mar-22	0.01	–	–	–	–
	31-Mar-21	0.21	–	–	0.01	–
Manpower Deputation Charges-Expense	31-Mar-22	–	–	106.34	–	–
	31-Mar-21	–	–	92.02	–	–
Office Establishment Expenses-Expense	31-Mar-22	–		16.35	–	1.47
	31-Mar-21	–	3.89	14.01	–	0.73
Maintenance Charges-Expense	31-Mar-22	–	–	–	–	20.64
	31-Mar-21	–	–	–	–	26.21
Inter Corporate Deposit (ICD) issued	31-Mar-22	–	–	–	–	4,940.00
	31-Mar-21	–	–	300.00	–	2,200.00
Inter Corporate Deposit (ICD) repayment received	31-Mar-22	–	–	300.00	–	4,200.00
	31-Mar-21	–	–	1,395.00	–	–

Nature of Balances with Related Parties	Balance as on	Ultimate Holding Company	Parent of Holding Company	Holding company	Fellow Subsidiary	Joint Venture of MLDL
Deposits	31-Mar-22	–	–	–	–	23.07
	31-Mar-21	–	–	–	–	23.07
Interest on ICD receivable	31-Mar-22	–	–	–	–	170.27
	31-Mar-21	–	–	–	–	84.28
Inter corporate deposit given	31-Mar-22	–	–	–	–	4,940.00
	31-Mar-21	–	–	300.00	–	4,200.00
Other Receivables	31-Mar-22	–	–	–	–	–
	31-Mar-21	–	–	–	–	0.35
Other Payables	31-Mar-22	0.01	3.26	30.47	–	7.76
	31-Mar-21	0.06	18.48	25.03	–	–

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Note No. 27 - Fair Value Measurement

Fair value of financial assets and financial liabilities that are not measured at fair value

Particulars	31st March, 2022		31st March, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets carried at Amortised Cost				
– Loans to related parties	**4,940.00**	**4,940.00**	4,500.00	4,500.00
– Trade and other receivables	**–**	**–**	76.04	76.04
– Cash and cash equivalents	**405.93**	**405.93**	1,405.75	1,405.75
– Bank balances other than above	**–**	**–**	70.50	70.50
– Other Receivables	**171.15**	**171.15**	94.40	94.40
– Deposits and similar assets	**35.68**	**35.68**	24.31	24.31
Total	**5,552.76**	**5,552.76**	6,171.00	6,171.00
Financial liabilities				
Financial liabilities held at amortised cost				
– Other financial Liabilities	**7.68**	**7.68**	47.58	47.58
– Trade and other payables	**498.18**	**498.18**	873.79	873.79
Total	**505.86**	**505.86**	921.37	921.37

	Fair value hierarchy as at 31st March, 2022			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial assets carried at Amortised Cost				
– Loans to related parties	**–**	**4,940.00**	**–**	**4,940.00**
– Trade and other receivables	**–**	**–**	**–**	**–**
– Cash and cash equivalents	**–**	**405.93**	**–**	**405.93**
– Bank balances other than above	**–**	**–**	**–**	**–**
– Other Receivables	**–**	**171.15**	**–**	**171.15**
– Deposits and similar assets	**–**	**35.68**	**–**	**35.68**
Total	**–**	**5,552.76**	**–**	**5,552.76**
Financial liabilities				
Financial Liabilities carried at amortised cost				
– Other financial Liabilities	**–**	**7.68**	**–**	**7.68**
– Trade and other payables	**–**	**498.18**	**–**	**498.18**
TOTAL	**–**	**505.86**	**–**	**505.86**

	Fair value hierarchy as at 31st March, 2021			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
– Loans to related parties	–	4,500.00	–	4,500.00
– Trade and other receivables	–	76.04	–	76.04
– Cash and cash equivalents	–	1,405.75	–	1,405.75
– Bank balances other than above	–	70.50	–	70.50
– Other Receivables	–	94.40	–	94.40
– Deposits and similar assets	–	24.31	–	24.31
Total	–	6,171.00	–	6,171.00

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

	Fair value hierarchy as at 31st March, 2021			
	Level 1	Level 2	Level 3	Total
Financial liabilities				
Financial Liabilities carried at amortised cost				
– Other financial Liabilities	–	47.58	–	47.58
– trade and other payables	–	873.79	–	873.79
Total	–	921.37	–	921.37

For recurring and non-recurring fair value measurements, if the highest and best use of a nonfinancial asset differs from its current use, an entity shall disclose that fact and why the non-financial asset is being used in a manner that differs from its highest and best use.

The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Note No. 28 - INDAS 115 Disclosures

1) **Contract Balances**

Amounts received before the related performance obligation is satisified are included in the balance sheet (Contract liability) as “Advances received from Customers”. Amounts billed for development milestone achieved but not yet paid by the customer are included in the balance sheet under trade receivables.

During the year, the Company recognised Revenue of Rs. 157.90 Lacs (FY 20-21 Rs. 1,065.95 lakhs) from opening contract liability (after Ind AS 115 adoption) of Rs. 157.90 Lakhs (FY 20-21 Rs. 1,065.95 lakhs).

There were no significant changes in the composition of the contract liabilities and Trade receivable during the reporting period other than on account of periodic invoicing and revenue recognition.

Amounts previously recorded as contract liabilities increase due to further milestone based invoices raised during the year and decrease due to revenue recognised during the year on completion of the construction.

Amounts previously recorded as Trade receivables increase due to further milestone based invoices raised during the year and decrease due to colelctions during the year.

There are no contract assets outstanding at the end of the year.

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31st March, 2022 is Nil. FY 2020-21 Rs. 157.90 lakhs. This includes contracts that can be terminated for convenience with a penalty as per the agreement since, based on current assessment, the occurrence of the same is expected to be remote.

2) **Reconciliation of revenue recognized with the contracted price is as follows:**

Rs. Lakhs

Particulars	**Year ended 31st March, 2022**	**Year ended 31st March, 2021**
Contracted price	**225.63**	1,683.82
Adjustments on account of cash discounts or early payment rebates, etc.	**–**	–
Revenue recognised as per Statement of Profit & Loss	**225.63**	1,683.82

3) **Contract costs**

Rs. Lakhs

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**
Contract costs included in Prepaid expenses in Note 6 - Other Assets	**–**	0.70

For the year ended 31st March, 2022 amortisation amounting to Rs. 6.53 lakhs(FY 20-21 Rs. 21.63 lakhs) is recognised as part of other expenses in the statement of profit and loss. There was no impairment loss in relation to the costs capitalised.

Note No. 29 - Financial Ratios

Sr No	**Particulars**	**Numerator**	**Denominator**	**For the year ended 31st March, 2022**	**For the year ended 31st March, 2021**	**% Variance**	**Reasons for Variance**
a)	Current Ratio	Current Assets	Current Liabilities	15.21	8.23	84.87%	Reduction in current liabilties from last year due to higher payments to suppliers
b)	Debt Equity Ratio	Net Debt	Equity	–	–	–	
c)	Debt Service Coverage Ratio (DSCR)	EBDITA	Total Debt	16.55	66.71	–75.19%	Reduction profit from last year due to lower revenue recognition
d)	Return of Equity	Profit after Tax	Average Net worth	1.58%	3.71%	–57.36%	Reduction profit from last year due to lower revenue recognition

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

Sr No	Particulars	Numerator	Denominator	For the year ended 31st March, 2022	For the year ended 31st March, 2021	% Variance	Reasons for Variance
e)	Inventory Turnover ratio	COGS	Average Inventory	0.05	0.37	–85.36%	Reduction in COGS due to lower revenue recognition from last year
f)	Trade Receivables turnover ratio	Revenue from Operations	Trade Receivables (Average)	6.00	4.28	40.04%	Reduction in average trade receivables from last year
g)	Trade Payable turnover ratio	COGS	Average Trade payable	0.68	3.09	–77.94%	Reduction in COGS due to lower revenue recognition and average payables from last year
h)	Net capital turnover ratio	Revenue from Operations	Average Working Capital	0.05	0.32	–85.37%	Reduction in revenue recognition from last year
i)	Net profit ratio	Profit after Tax	Revenue from Operations	66.32%	20.08%	230.29%	Higher margin due to higher interest income in current year
j)	Return on Capital employed	Profit before Interest & Tax	Capital employed	2.38%	5.16%	–53.97%	Reduction profit from last year due to lower revenue recognition

Schedule III require explanation where the change in the ratio is more than 25% as compared to the preceding year. Accordingly explanation is given only for the said ratios.

Note No. 30 - Additional regulatory information

a) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b) Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

d) Utilisation of borrowed funds and securities premium

The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

e) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

f) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

g) Registration of Charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period

h) Whistle Blower-

During the year ended 31st March, 2022 and till the date of adoption of financial statements by board of directors, the Company did not received any whistle blower compliants.

Note No. 31 - Discrepancies between books of accounts & quarterly statements submitted to banks

The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.

Note No. 32 - Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment –

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets –

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2022

All amounts are in Rupees Lakhs unless otherwise stated

fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Note No. 33 - Other Notes

i. The Company did not have any pending litigation which would impact its financial position.

ii. The Company did not have any material foreseeable losses on long term contracts. The company has not entered into any derivative contracts.

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

iv. The Company does not have any unhedged foreign currency exposures as on 31st March, 2022

Note No. 34 - Merger of Mahindra Integrated Township Ltd (MITL) and Mahindra Residential Developers Ltd (MRDL) with Mahindra World City Developers Ltd (MWCDL)

Pursuant to approval received from the Boards of Mahindra Integrated Township Ltd (MITL), Mahindra Residential Developers Ltd (MRDL), a wholly owned subsidiary company of the Company and Mahindra World City Developers Ltd (MWCDL) for merger of MITL and MRDL with MWCDL, an application under Section 230 to 232 of the Companies Act, 2013 has been filed with National Company Law Tribunal, Chennai on 24th December, 2021 for seeking directions from NCLT, Chennai.

Note No. 35 - Approval of Financial Statements

The aforesaid financial statements have been approved by Company's board of directors and the authorised for issue in the meeting held on April 18, 2022

Note No. 36 - Event after the reporting period

No material events have occurred after the Balance Sheet date and upto the approval of the financial statements.

Note No. 37 - Previous year figures

The figures for previous year have been regrouped/reclassified wherever necessary to conform to current year's grouping/classification.

For and on behalf of the Board of Directors

Mahindra Residential Developers Limited

Vimal Agarwal
DIN No. 07296320

Vimalendra Singh
DIN No. 09128114

Place: Chennai
Date: 18th April, 2022

INDEPENDENT AUDITOR'S REPORT

To the members of Mahindra Bloomdale Developers Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Mahindra Bloomdale Developers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss and total comprehensive loss, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Emphasis of Matter

We draw attention to Note XX to the financial statements which indicates that the Company has incurred a net loss of Rs. 8.73 crores for the year ended 31 March 2022 and the accumulated losses as on 31 March 2022 amounting to Rs. 18.33 crores which has fully eroded the net worth as on date. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report and the related annexures, but does not include the Financial Statements and our Auditors' Report thereon.

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

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

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

Responsibilities of management 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. 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 financial 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 the 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 auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows 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.
   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
   (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
   (g) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, the provisions of Section 197 of the Act related to the managerial remuneration are not applicable.

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

(i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note XX to the Financial Statements;

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

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

(iv) (a) The management of the Company have represented to us respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us nothing has come to our notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

(v) The Company has not declared any dividend during the year.

For **B. K. Khare and Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852

UDIN: 22040852AHLUUE7991

Place: Mumbai
Date: April 20, 2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Mahindra Bloomdale Developers Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.

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.

Meaning of Internal Financial Controls with reference to financial statements

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

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852
UDIN: 22040852AHLUUE7991

Mumbai, April 20, 2022

ANNEXURE B TO THE AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.]

(i) (a) (A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment properties.

(a) (B) The Company does not have any intangible assets. Hence, reporting under Clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) The Company has a regular programme of physical verification of its property, plant and equipment by which the property, plant and equipment are verified by the management according to a phased programme designed to cover all the items over a period of 2 years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. In accordance with the programme, the Company has physically verified certain property, plant and equipment during the year and no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable property under Property Plant and Equipment. Hence, reporting under Clause 3(i)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) during the year.

(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are at reasonable intervals and no material discrepancies were noticed on physical verification.

(b) According to the information and explanations given to us, the Company has renewed the sanctioned working capital limits in excess of five crore rupees, in aggregate, from HDFC bank on the basis of security of stocks and book debts – pari pasu charge on current assets during the year. The stock and book debts statements filed by the Company with HDFC Bank on a monthly basis are in agreement with the unaudited books of account as certified by the management.

(iii) According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services tax, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, dues in respect of service tax as at 31 March 2022, which have not been deposited with the appropriate authorities on account of a dispute, are as under:

Name of the statute	Nature of the dues	Amount (Rs)*	Period to which the amount relates	Forum where dispute is pending
MVAT	ITC Credit Claimed	42,00,648	FY 2010-11	Joint Commissioner (Appeals)
GST	ITC Credit Claimed	46,92,295	FY 2017-18	SCN Received
Income Tax Act, 1961	Marginal Relief on Surcharge not given, MAT Credit not allowed and short credit of TDS	43,19,940	FY 2014-15	Case is not open on Income Tax Portal. Need to file to Income Tax for Rectification

(viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) According to the information and explanations given to us, the company has not raised any money by way of term loans during the year. Hence, reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long- term purposes as at the Balance Sheet date.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.

(b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company

(c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures, specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the reporting under Clause 3(xiii) of the Order is not applicable to the Company.

(xiv) The Company did not have an internal audit system for the period under audit. Hence, reporting under Clause 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us and the audit procedures performed by us, we report that the Group has 6 Core Investment Companies.

(xvii) In our opinion and according to the information and explanations given to us, the Company has incurred cash losses of Rs. 868.78 lakhs during the current financial year and Rs. 0.65 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, CSR is not applicable to the Company. Hence, reporting under Clause 3(xx) is not applicable to the Company.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852
UDIN: 22040852AHLUUE7991

Mumbai, April 20, 2022

BALANCE SHEET AS AT 31ST MARCH 2022

Particulars	Note No.	As at 31st March 2022	Rs. In Lakhs As at 31st March 2021
I ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	4.1	9.55	9.96
(b) Capital Work-in-Progress	4.2	55.57	–
(c) Financial Assets			
(i) Security Deposits	7	244.86	245.31
(d) Deferred Tax Assets (Net)	6	–	–
(e) Non-Current Tax Assets (Net)		100.91	124.85
Total Non-Current Assets (A)		410.89	380.12
CURRENT ASSETS			
(a) Inventories	10	22,216.95	14,533.17
(b) Financial Assets			
(i) Trade Receivables	11	442.30	754.38
(ii) Cash and Cash Equivalents	0	454.30	139.31
(iii) Bank Balances other than (ii) above	0	94.96	44.57
(iv) Security Deposits	7	–	–
(v) Other Financial Assets	8	1.04	5.96
(c) Other Current Assets	9	505.41	465.93
Total Current Assets (B)		23,714.97	15,943.32
TOTAL ASSETS (A+B)		24,125.86	16,323.44
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	13	5.00	5.00
(b) Other Equity		(1,837.62)	(966.94)
Total Equity (A)		(1,832.62)	(961.94)
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
Borrowings	14	8,161.53	5,225.53
(b) Provisions	15	17.52	21.48
Total Non-Current Liabilities (B)		8,179.04	5,247.01
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	16	2,346.41	2,029.65
(ii) Trade Payables	18		
– Total outstanding dues of Micro Enterprises and Small Enterprises		–	–
– Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		2,367.13	1,558.29
(iii) Other Financial Liabilities	17	687.18	507.81
(b) Provisions	15	96.36	96.51
(c) Other Current Liabilities	19	12,282.34	7,846.11
Total Current Liabilities (C)		17,779.43	12,038.37
TOTAL EQUITY & LIABILITIES (A+B+C)		24,125.86	16,323.44
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the Financial Statements

As per our report attached hereto

For and on behalf of the Board of Directors of Mahindra Bloomdale Developers Limited

For B.K.Khare & Co
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
Place : Mumbai
Date : 20th April 2022

Vimal Agarwal
Director DIN No. 07296320
Place : Mumbai
Date : 20th April 2022

Parveen Mahtani
Director DIN No. 05189797
Place : Mumbai
Date : 20th April 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

Rs. In Lakhs

	Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
I	**INCOME**			
	Revenue from operations	**20**	**1,582.95**	2,125.49
	Other Income	**21**	**35.26**	28.20
	Total Income (a + b)		**1,618.21**	2,153.69
II	**EXPENSES**			
	(a) Operating Expenses	**22**	**2,018.23**	1,772.12
	(b) Employee benefit expense	**23**	**66.34**	86.03
	(c) Finance Cost	**24**	**16.88**	5.66
	(d) Depreciation and amortisation expense	**4.1**	**3.89**	4.62
	(e) Other expenses	**25**	**385.54**	290.53
	Total Expenses (a+b+c+d+e)		**2,490.88**	2,158.96
III	**Loss before exceptional items and tax (I-II)**		**(872.67)**	(5.27)
IV	**Tax Expense**			
	(a) Current tax		**–**	–
	(b) Deferred tax	**5**	**–**	611.68
	Total tax expense (a+b)		**–**	611.68
V	**Loss after tax for the period (III-IV)**		**(872.67)**	(616.95)
VI	**Other Comprehensive Income**			
	(i) Items that will not be recycled to profit or loss		**–**	–
	(a) Changes in revaluation surplus		**–**	–
	(b) Remeasurements of the defined benefit liabilities / (asset)(Net of taxes)		**(1.99)**	(2.87)
	(ii) Income tax relating to items that will not be reclassified to profit or loss.		**–**	
	Total Comprehensive Loss for the period (V+VI)		**(870.68)**	(614.08)
VII	**Earnings per equity share**			
	Basic and diluted	**26**	**(1,745.33)**	(1,233.89)
	Summary of significant accounting policies	**2**		

The accompanying notes are an integral part of the Financial Statements

As per our report attached hereto

For B.K.Khare & Co
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
Place : Mumbai
Date : 20th April 2022

For and on behalf of the Board of Directors of
Mahindra Bloomdale Developers Limited

Vimal Agarwal
Director DIN No. 07296320
Place : Mumbai
Date : 20th April 2022

Parveen Mahtani
Director DIN No. 05189797
Place : Mumbai
Date : 20th April 2022

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2022

Rs. In Lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
Cash flows from operating activities		
Loss before tax for the year	**(872.67)**	(5.27)
Adjustments for:		
Finance costs recognised in profit or loss	**16.88**	5.66
Depreciation and amortisation of non-current assets	**3.89**	4.62
Movements in working capital:		
Increase in trade and other receivables	**312.53**	1,280.73
(Increase) in inventories	**(7,149.00)**	(1,352.74)
(Increase) in other assets	**(34.56)**	60.29
Decrease in trade and other payables	**5,191.06**	356.42
Cash (used in)/generated from operations	**(2,531.87)**	349.72
Income taxes paid	**25.93**	20.84
Net cash (used in)/generated by operating activities (A)	**(2,505.94)**	370.55
Cash flows from investing activities		
Payments for property, plant and equipment	**(3.48)**	(1.45)
Payments for investment property - Capital Work in Progress	**(55.57)**	–
Proceeds from maturity of bank deposits	**(50.39)**	11.08
Net cash (used in)/generated by investing activities (B)	**(109.45)**	9.63
Cash flows from financing activities		
Proceeds from borrowings	**4,200.00**	5,025.00
Repayment of borrowings	**(947.24)**	(5,354.35)
Finance costs	**(322.40)**	(588.77)
Net cash (used in)/generated in financing activities (C)	**2,930.36**	(918.12)
Net increase in cash and cash equivalents (A+B+C)	**314.98**	(537.94)
Cash and cash equivalents at the beginning of the year	**139.31**	677.25
Cash and cash equivalents at the end of the year	**454.30**	139.31

Summary of significant accounting policies (refer note 2)

The accompanying notes are an integral part of the Financial Statements

As per our report attached hereto

For B.K.Khare & Co
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
Place : Mumbai
Date : 20th April 2022

For and on behalf of the Board of Directors of Mahindra Bloomdale Developers Limited

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Director DIN No. 07296320
Place : Mumbai
Date : 20th April 2022

Parveen Mahtani
Director DIN No. 05189797
Place : Mumbai
Date : 20th April 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

A. Equity share capital

Rs. In Lakhs

Particulars	Total
As at 1st April 2020	5.00
Changes in equity share capital during the year	–
As at 31st March 2021	5.00
Changes in equity share capital during the year	–
As at 31st March 2022	5.00

B. Other Equity

Rs. In Lakhs

Particulars	Retained Earnings	Other Comprehensive Income-Acturial Gain / Loss	Total
As at 31st March 2020	**(352.62)**	(0.24)	(682.60)
Profit / (Loss) for the period	(616.95)		(616.95)
Other Comprehensive Income / (Loss)	–	2.87	2.87
Other Adjustment (Accumulated Depreciation impact on Reserve)			–
As at 31st March 2021	(969.57)	2.63	(966.94)
Profit / (Loss) for the period	(872.67)	–	(872.67)
Other Comprehensive Income / (Loss)		1.99	1.99
Other Adjustment (Accumulated Depreciation impact on Reserve)	–	–	–
As at 31st March 2022	**(1,842.24)**	**4.62**	**(1,837.62)**

Summary of significant accounting policies (refer note 2)

The accompanying notes are an integral part of the Financial Statements

As per our report attached hereto

For B.K.Khare & Co
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
Place : Mumbai
Date : 20th April 2022

For and on behalf of the Board of Directors of Mahindra Bloomdale Developers Limited

Vimal Agarwal
Director DIN No. 07296320
Place : Mumbai
Date : 20th April 2022

Parveen Mahtani
Director DIN No. 05189797
Place : Mumbai
Date : 20th April 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

1. General Information

Mahindra Bloomdale Developers Limited (Earlier known as Mahindra Bebanco Developers Limited), a wholly own subsidiary of Mahindra Lifespace Developers Ltd.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report. The principal activity of the Company is development of residential complexes in MIHAN Nagpur.

2. Significant Accounting Policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Ind-AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.4 Revenue recognition

2.4.1 Revenue from Projects

The Company develops and sells residential and commercial properties. Revenue from contracts is recognised when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer and the development of the property is completed. The revenue is measured at the transaction price agreed under the contract.

The Company invoices the customers for construction contracts based on achieving a series of performance-related milestones.

For certain contracts involving the sale of property under development, the Company offers deferred payment schemes to its customers. The Company adjusts the transaction price for the effects of the significant financing component.

2.4.2 Revenue from Sale of land and other rights

Revenue from Sale of land and other rights is generally a single performance obligation and the Company has determined that this is satisfied at the point in time when control transfers as per the terms of the contract entered into with the buyers, which generally are with the firmity of the sale contracts / agreements. The determination of transfer of control did not change upon the adoption of Ind AS 115.

2.4.3 Contract Costs

- Costs to obtain contracts (“Contract costs”) relate to fees paid for obtaining property sales contracts. Such costs are recognised as assets when incurred and amortised upon recognition of revenue from the related property sale contract.

2.4.4 Dividend and interest income

Dividend income from investment in mutual funds is recognised when the unit holder’s right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

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

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.6 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.6.1 Current tax

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

2.6.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

2.6.3 *Current and deferred tax for the year*

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

2.7 *Property, plant and equipment*

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties during construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.8 *Impairment of tangible and intangible assets other than goodwill*

AAt the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.9 *Inventories*

Inventories are stated at the lower of cost and net realisable value. The cost of construction material is determined on the basis of weighted average method. Construction Work-in-Progress includes cost of land, premium for development rights, construction costs and allocated interest & manpower costs and expenses incidental to the projects undertaken by the Company.

2.10 *Provisions*

Provisions are recognised when the Company has a present obligation (legal or constructive) because of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.11 *Employee benefits provisions*

Employee benefits provisions are measured and classified into long term and short-term provisions based on Actuarial valuation as per IND AS-19 as on Balance sheet date.

2.12 *Financial Instruments*

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.13 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

2.13.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of ‘Reserve for debt instruments through other comprehensive income’. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

2.13.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.13.3 Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the ‘Reserve for equity instruments through other comprehensive income’. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

2.13.4 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the ‘Other income’ line item. Dividend on financial assets at FVTPL is recognised when the Company’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.13.5 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.13.6 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.13.7 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.14 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.14.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.14.2 Compound financial instruments

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

2.14.2.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.14.2.2 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

2.14.2.3 Financial Liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.14.2.4 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

2.14.2.5 Commitments to provide a loan at a below-market interest rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

2.14.2.6 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

2.14.2.7 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. Significant accounting judgements, estimates and assumptions

3.1 Determining the timing of revenue recognition on the sale of completed and under development property

The Company has generally evaluated and concluded that based on a careful analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate. The Company has generally concluded that the overtime criteria are not met owing to non-enforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time.

3.2 Determination of performance obligations

With respect to the sale of property, the Company has concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the Company is responsible for all these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Company accounts for them as a single performance obligation because they are not distinct in the context of the contract.

Note No. 4 .1 - PROPERTY, PLANT AND EQUIPMENT

Rs. In Lakhs

Description of Assets	Buildings - Leasehold	Office Equipment	Furniture and Fixtures	Computers	Total
I. Gross Carrying Amount					
Balance as at 1st April 2021	255.23	18.66	41.47	39.84	355.20
Additions	–	–	–	3.48	3.48
Other Adjustment	–	0.34	(0.34)	–	(0.00)
Balance as at 31st Mar 2022	**255.23**	**19.00**	**41.13**	**43.32**	**358.68**
II. Accumulated depreciation and impairment					
Balance as at 1st April 2021	255.23	18.20	34.57	37.25	345.24
Depreciation expense for the year	–	0.64	1.77	1.49	3.89
Balance as at 31st Mar 2022	255.23	18.83	36.34	38.74	349.14
III. Net carrying amount (I-II)	**0.00**	**0.17**	**4.79**	**4.59**	**9.55**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Rs. In Lakhs

Description of Assets	Buildings - Leasehold	Office Equipment	Furniture and Fixtures	Computers	Total
I. Gross Carrying Amount					
Balance as at 1st April 2020	255.23	18.66	41.47	38.39	353.75
Additions	–	–	–	1.45	1.45
Balance as at 31st Mar 2021	**255.23**	**18.66**	**41.47**	**39.84**	**355.20**
II. Accumulated depreciation and impairment					
Balance as at 1st April 2020	255.23	17.58	31.69	36.12	340.62
Depreciation expense for the year	–	0.62	2.88	1.13	4.62
Balance as at 31st Mar 2021	255.23	18.20	34.57	37.25	345.24
III. Net carrying amount (I-II)	**0.00**	**0.46**	**6.90**	**2.59**	**9.96**

Impairment losses recognised in the year:

During the reporting period Company has not recognised any impairment loss on PPE.

Method of Depreciation:

Depreciation on tangible fixed assets has been provided on prorata basis, on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 or estimated useful life, whichever is lower. Sales office & the sample flat/show unit (Leasehold Building) cost, its furniture and office equipments are amortised over a period of 5 years.

Note No. 4.2 - CAPITAL WORK-IN-PROGRESS

Description of Assets	Buildings As at 31st March 2022	As at 31st March 2021
Capital Work-in-Progress	**55.57**	–
I. Home Ground		
Less than 1 year	**55.57**	–
1-2 years		
2-3 years		
More than 3 years		
Total	**55.57**	–

Note No. 5 - INCOME TAXES

(a) Income Tax recognised in profit or loss

Rs. In Lakhs

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Current Tax:		
In respect of current year	–	–
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	–	611.68
Total income tax expense on continuing operations	–	611.68

(b) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Rs. In Lakhs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Profit before tax from continuing operations	**(872.67)**	(5.27)
Income tax expense calculated at 25.17% (PY @25.17%)	–	–
Changes in recognised deductible temporary differences	–	612.50
Others	–	(0.82)
		611.68
Income tax expense recognised In profit or loss from continuing operations	–	611.68

The tax rate used for the 31st March 2022 and 31st March 2021 reconciliations above is the corporate tax rate of 22% (plus Surcharge Plus EC plus SHEC) payable by corporate entities in India on taxable profits under Indian Income Tax Laws.

Note No. 6 - DEFERRED TAX (NET)

(i) Movement in deferred tax balances

Rs. In Lakhs

Particulars	For the Year ended 31st March 2022 Opening Balance	Recognised in profit and Loss	Recognised in OCI	Recognised in Equity	Closing Balance
Tax effect of items constituting deferred tax assets	–	–	–	–	–
Net Tax Asset / (Liabilities)	–	–	–	–	–

Rs. In Lakhs

Particulars	For the Year ended 31st March 2021 Opening Balance	Recognised in profit and Loss	Recognised in OCI	Recognised in Equity	Closing Balance
Tax effect of items constituting deferred tax assets					
Property, Plant and Equipment	**30.25**	**(30.25)**	–	–	–
IND AS 115 Impact on opening Reserve	**534.87**	**(534.87)**	–	–	–
Carryforward Tax Loss	**85.39**	**(85.39)**	–	–	–
Employee Benefits	**3.47**	**(3.47)**	–	–	–
Other Temporary Differences (please specify)					
	653.99	**(653.99)**	–	–	–
Tax effect of items constituting deferred tax liabilities					
Other Items	**(41.49)**	**41.49**	–	–	–
	(41.49)	**41.49**	–	–	–
Net Tax Asset/(Liabilities)	**612.50**	**(612.50)**	–	–	–

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Note No. 7 - Financial Assets

Rs. In Lakhs

Particulars	As at 31st March 2022 Current	As at 31st March 2022 Non-Current	As at 31st March 2021 Current	As at 31st March 2021 Non-Current
Loans				
(a) Secured, considered good	–	–	–	–
(b) Unsecured, considered good				–
(i) Security Deposits	–	244.86	–	245.31
Total	–	244.86	–	245.31

Note No. 8 - Other Financial Assets

Rs. In Lakhs

Particulars	As at 31st March 2022 Current	As at 31st March 2022 Non-Current	As at 31st March 2021 Current	As at 31st March 2021 Non-Current
Financial assets at amortised cost				
(i) Interest Accrued on Fixed Deposits	1.04	–	5.96	–
Total	1.04	–	5.96	–

Note No. 9 - Other Current Assets

Rs. In Lakhs

Particulars	As at 31st March 2022 Current	As at 31st March 2022 Non-Current	As at 31st March 2021 Current	As at 31st March 2021 Non-Current
(i) Advance to vendors	218.19	–	190.33	–
(ii) Balances with government authorities (other than income taxes)	84.60	–	120.47	–
(iii) Prepaid Expenses	202.62	–	155.13	–
Total	505.41		465.93	

Note No. 10 - Inventories

Rs. In Lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
Raw Material	279.22	258.50
Construction Work in progress*	21,890.90	14,103.23
Finished Goods	46.83	171.44
Total Inventories (at lower of cost and net realisable value)	22,216.95	14,533.17

* Construction Work in Progress represents materials at site and unbilled costs on the projects. Based on projections and estimates by the Company of the expected revenues and costs to completion, provision for losses to completion and/ or write off of costs carried to inventory are made on projects where the expected revenues are lower than the estimated costs to completion. In the opinion of the management, the net realisable value of the construction work in progress will not be lower than the costs so included therein.

Note No. 11 - Trade receivables

Rs. In Lakhs

Particulars	As at 31st March 2022 Current	As at 31st March 2022 Non-Current	As at 31st March 2021 Current	As at 31st March 2021 Non-Current
Trade receivables				
(a) Secured, considered good	442.30	–	754.38	–
(b) Unsecured, considered good	–	–	–	–
(c) Which have significant increase in credit risk	–	–	–	–
(d) Credit Impaired	–	–	–	–
Total	442.30	–	754.38	–
Of the above, trade receivables from:				
- Related Parties*	–	–	–	–
- Others	442.30	–	754.38	–
Total	442.30	–	754.38	–

* No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

11 a - Ageing for trade receivables from the due date of payment for each of the category is as follows:

Rs. In Lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
Undisputed Trade Receivable - Considered good - unsecured		
Not Due	–	–
0 moths - 6 months	409.10	686.24
6 months -1 year	4.97	4.62
More than 1 years	28.23	63.52
Trade Receivable - Credit impaired		
Not Due	–	–
0 moths - 6 months	–	–
6 months -1 year	–	–
1-2 Years	–	–
2-3 years	–	–
More than 3 years		
Total	442.30	754.38

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Note No. 12 - Cash and Bank Balances

Rs. In Lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
Cash and cash equivalents		
Balances with banks	**454.30**	139.31
Total Cash and cash equivalent (considered in Statement of Cash Flows)	**454.30**	139.31
Other Bank Balances		
Balances with Banks:		
(i) On Margin Accounts	**39.56**	44.57
(i) Fixed Deposits with maturity greater than 3 months	**55.40**	–
Total Bank Balances other than above	**94.96**	44.57

Note No. 12 - Equity Share Capital

Rs. In Lakhs

Particulars	As at 31st March 2022 No. of shares	As at 31st March 2022 Amount	As at 31st March 2021 No. of shares	As at 31st March 2021 Amount
Authorised:				
Equity shares of Rs.10 each with voting rights	**50,000**	**5.00**	50,000	5.00
Issued, Subscribed and Fully Paid:				
Equity shares of Rs.10 each with voting rights	**50,000**	**5.00**	50,000	5.00
Total	**50,000**	**5.00**	50,000	5.00

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Rs. In Lakhs

Particulars	Opening Balance	Fresh Issue	Bonus	Closing Balance
Equity Shares with Voting rights				
Year Ended 31st March 2022				
No. of Shares	50,000	–	–	50,000
Amount	5.00	–	–	5.00
Year Ended 31st March 2021				
No. of Shares	50,000	–	–	50,000
Amount	5.00	–	–	5.00

(ii) Terms/ Rights attached to Equity Shares

The company has only one class of Equity shares having a par value of Rs 10/- per share. Each holder of Equity Shares is entitled to one vote per share. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

(iii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

No. of Shares

Particulars	Equity Shares with Voting rights
As at 31st March 2022	
Mahindra Lifespaces Developers Limited, the Holding Company	50,000
As at 31st March 2021	
Mahindra Lifespaces Developers Limited, the Holding Company	50,000

(iv) Details of shareholdings by the Promoter's of the Company

Class of shares / Name of shareholder	As at 31st March 2022 Number of shares held	As at 31st March 2022 % holding	As at 31st March 2021 Number of shares held	As at 31st March 2021 % holding	% change during the period
Equity shares with voting rights					
Mahindra Lifespaces Developers Limited	**50,000**	**100.00%**	50,000	100.00%	0.00%

Note No. 14 - Non-Current Borrowings

Rs. In Lakhs

Particulars	Rate of Interest	As at 31st March 2022	As at 31st March 2021
Unsecured Borrowings - at amortised Cost			
(a) Loans from related parties			
- Mahindra Lifespaces Developers Limited	7.70%	6,544.53	3,544.53
- Mahindra Infrastructure Developers Limited	8.00%	1,617.00	1,681.00
Total		8,161.53	5,225.53

Note No. 15 - Provisions

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST, 2022

Rs. In Lakhs

Particulars	As at 31st March 2022 Current	As at 31st March 2022 Non-Current	As at 31st March 2021 Current	As at 31st March 2021 Non-Current
(a) Provision for employee benefits	**3.36**	**17.52**	3.51	21.48
(b) Other Provisions				
-Defect Liability provision	**93.00**	–	93.00	–
	96.36	**17.52**	96.51	21.48

Defect Liability Provisions:

Provision for defect liability represents present value of management's best estimate of the future outflow of economic resources that will be required in respect residential units given under perpectual lease, the extimated cost of which is accrued during the period of construction, upon sale of units and recognition of related revenue. Management estimates the related provision for future defect liability claims based on historical cost of rectifications and is adjusted regularly to reflect new information. The residential units are generally covered under the defect liability period limited to 5 years from the date of handover of residential units.

Note No. 16 - Current Borrowings

Rs. In Lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
A. Secured Borrowings		
– From Banks- Overdraft*	**591.41**	274.65
Total Secured Borrowings	**591.41**	274.65
B. Unsecured Borrowings		
– From Related Parties	**1,755.00**	1,755.00
Total Unsecured Borrowings	**1,755.00**	1,755.00
Total	**2,346.41**	2,029.65

* The overdraft facility from bank Rs. 591.41 Lakhs (PY Rs. 274.65 Lakhs) is secured by First pari passu charge on current asset (Stocks and book debts)

Note No. 17 - Other Financial Liabilities

Rs. In Lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
Current		
Interest accrued on borrowings	**687.18**	457.92
Society Maintainence deposits (Net)	**–**	49.89
Retention Money	**–**	–
Total	**687.18**	507.81

Note No. 18 - Trade Payables

Rs. In Lakhs

Particulars	As at 31st March 2022 Current	As at 31st March 2022 Non-Current	As at 31st March 2021 Current	As at 31st March 2021 Non-Current
Trade payable - Micro and small enterprises*	**–**	**–**	–	–
Trade payable - Other than micro and small enterprises	**2,367.13**	–	1,558.29	–
Total	**2,367.13**	**–**	1,558.29	–

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

*This information has been determined to the extent such parties have been identified on the basis of intimation received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Based on the information available with the Company dues outstanding in respect to Micro, Small and Medium Enterprises as of Balance Sheet Date are shown as above.

Note No. 18 a - Ageing for trade payable from the due date of payment for each of the category is as follows:

Rs. In Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Undisputed dues of micro enterprises and small enterprises		
Unbilled		
Not Due	**–**	–
0 months - 1 year	**–**	–
More than 1 years	**–**	–
	–	–
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled		
Not Due		
0 months - 1 year	**1,505.02**	582.61
More than 1 years	**862.11**	975.68
Total	**2,367.13**	1,558.29

Note No. 19 - Other Liabilities

Rs. In Lakhs

Particulars	As at 31st March 2022 Current	As at 31st March 2022 Non-Current	As at 31st March 2021 Current	As at 31st March 2021 Non-Current
(a) Advances received from customers	**12,193.21**	**–**	7,814.31	–

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST, 2022

Rs. In Lakhs

Particulars	As at 31st March 2022 Current	As at 31st March 2022 Non-Current	As at 31st March 2021 Current	As at 31st March 2021 Non-Current
(b) Statutory dues				
– Tax Deducted at sources	**88.00**	**–**	**30.60**	–
– Family Pension & Provident Fund Payable	**1.08**	**–**	1.15	–
– Professional Tax Payable	**0.04**	**–**	0.04	–
Total	**12,282.34**	**–**	7,846.11	–

Note No. 20 - Revenue from Operations

Rs. In Lakhs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Income from Projects	**1,582.95**	2,125.49
Total	**1,582.95**	2,125.49

1. Contract Balances

Amounts received before the related performance obligation is satisified are included in the balance sheet (Contract liability) as “Advances received from Customers”. Amounts billed for development milestone achieved but not yet paid by the customer are included in the balance sheet under trade receivables.

During the year, the Company recognised Revenue of Rs.1318.17 lakhs from opening contract liability (after Ind AS 115 adoption) of Rs 7814.31 lakhs and during previous year company recognised revenue of Rs. 1889.30 Lakhs from opening contract liability (after Ind AS 115 adoption) of Rs. 6272.76 Lakhs

There were no significant changes in the composition of the contract liabilities and Trade receivable during the reporting period other than on account of periodic invoicing and revenue recognition.

Amounts previously recorded as contract liabilities increase due to further milestone based invoices raised during the year and decrease due to revenue recognised during the year on completion of the construction.

Amounts previously recorded as Trade receivables increase due to further milestone based invoices raised during the year and decrease due to colelctions during the year.

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2022 is Rs. 20,394.03 lakhs (PY Rs. 16,664.54 Lakhs). Out of this, the Company expects to recognize revenue of around 100% within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience with a penalty as per the agreement since, based on current assessment, the occurrence of the same is expected to be remote.

Rs. Lakhs

2. Reconciliation of revenue recognized with the contracted price is as follows:	Year ended 31st March 2022	Year ended 31st March 2021
Contracted price	**1,628.12**	2,176.22
Input Tax Credit	**45.17**	50.73
Adjustments on account of cash discounts or early payment rebates, etc.	**–**	–
Revenue recognised as per Statement of Profit & Loss	**1,582.95**	2,125.49

Rs. Lakhs

3. Contract Costs	Year ended 31st March 2022	Year ended 31st March 2021
Costs to obtain contracts	**202.62**	155.13

For the year ended 31st March 2022, amortisation amounting to Rs 172.19 lakhs (PY Rs. 116.57 Lakhs) was recognised as Subvention Interest, Compensation to Customers and Brokerage cost in note no. 25 - Other Expenses. There were no impairment loss in relation to the costs capitalised.

Note No. 21 - Other Income

Rs. In Lakhs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
(a) Interest Income		
(i) On Bank Deposits	**4.34**	5.91
(b) Miscellaneous Income	**30.92**	22.30
Total	**35.26**	28.20

Note No. 22 - Operating Expenses

Rs. In Lakhs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Cost of materials consumed	**2,018.23**	1,772.12

Note No. 23 - Employee Benefits Expense

Rs. In Lakhs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Salaries and wages, including bonus	**188.15**	167.84
Less : Allocated to projects	**(121.81)**	(81.81)
Total	**66.34**	**86.03**

Note No. 24 - Finance Cost

Rs. In Lakhs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Interest on Loan from related parties	**534.78**	620.30
Interest on Overdraft	**16.88**	5.66
Less: Allocated to Projects	**(534.78)**	(620.30)
Total	**16.88**	5.66

Note No. 25 - Other Expenses

Rs. In Lakhs

	Year ended 31st March 2022	Year ended 31st March 2021
Repairs and Maintenance		
Others	**27.18**	21.72
Legal and Professional Fee	**23.92**	17.23
Advertisement and Marketing Expenses	**91.24**	89.12
Subvention Interest	**–**	33.78
Compensation to customers	**151.59**	61.86
Brokerage	**20.60**	20.93

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST, 2022

Rs. In Lakhs

	Year ended 31st March 2022	Year ended 31st March 2021
Remuneration to auditors:		
For Statutory Audit Fees	**5.50**	5.50
For Tax Audit Fees	**0.83**	0.83
For Other Services	**1.65**	1.65
Corporate Social Responsibility Expenditure	**10.81**	–
Miscellaneous Expenses	**52.23**	37.91
Total	**385.54**	290.53

Note No. 26 - Earnings per Share

Basic and Diluted Earnings Per Share

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

Rs. In Lakhs

	For the year ended 31st March 2022	For the year ended 31st March 2021
Profit / (loss) for the year attributable to owners of the Company	**(872.67)**	(616.95)
Weighted average number of equity shares (nos.)	**50,000**	50,000
Earnings per share - Basic and Diluted	**(1,745.33)**	(1,233.89)

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

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Opening No. of Equity Shares	**50,000**	50,000
Additions	**–**	–
Closing No. of Equity Shares	**50,000**	50,000
Weighted average number of equity shares used in the calculation of Basic and diluted EPS	**50,000**	**50,000**

Note No. 27 - Financial Instruments

Capital management

The Company's capital management objectives are:

– safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders

– maintain an optimal capital structure to reduce the cost of capital.

The Management of the Company monitors the capital structure using debt equity ratio which is determined as the proportion of total debt to total equity.

Rs. In Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Debt (A)	**10,507.92**	7,255.18
Equity (B)	**(1,832.62)**	(961.95)
Debt Ratio (A / B)	**(5.73)**	(7.54)

Categories of financial assets and financial liabilities

The following tables shows the carrying amount and fair values of financial assets and financial liabilities by category:

Rs. In Lakhs
As at 31st March, 2022

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Loans	**244.86**	**–**	**–**	**244.86**
Current Assets				
Trade Receivables	**442.30**	**–**	**–**	**442.30**
Other Bank Balances	**94.96**	**–**	**–**	**94.96**
Loans	**–**	**–**	**–**	**–**
Other Financial Assets				
- Non Derivative Financial Assets	**1.04**	**–**	**–**	**1.04**
Non-current Liabilities				
Borrowings	**8,161.53**	**–**	**–**	**8,161.53**
Current Liabilities				
Borrowings	**2,346.41**	**–**	**–**	**2,346.41**
Trade Payables	**–**	**–**	**–**	**–**
Other Financial Liabilities				
- Non Derivative Financial Liabilities	**687.18**	**–**	**–**	**687.18**

Rs. In Lakhs
As at 31st March, 2021

	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Loans	245.31	–	–	245.31
Current Assets				
Trade Receivables	754.38	–	–	754.38
Other Bank Balances	44.57	–	–	44.57
Loans	–	–	–	–
Other Financial Assets				
- Non Derivative Financial Assets	5.96	–	–	5.96
Non-current Liabilities				
Borrowings	5,225.53	–	–	5,225.53
Current Liabilities				
Borrowings	2,029.65	–	–	2,029.65
Trade Payables	–	–	–	–
Other Financial Liabilities				
- Non Derivative Financial Liabilities	507.81	–	–	507.81

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk . In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factor.

Credit Risk

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from cash and cash equivalents, investments carried at amortised cost, deposits with banks and financial institutions as well as credit exposures to customers including outstanding receivables.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST, 2022

Trade Receivables:

The Companys trade receivables include receivables on sale of residential flats. As per the Company's flat handover policy, a flat is handed over to a customer only upon payment of entire amount of consideration. Thus, the Company is not exposed to any credit risk on receivables from sale of residential flats.

Balances with Banks, mutual funds and other financial assets:

For banks and financial institutions, only high rated banks/institutions are accepted. The Company holds cash and cash equivalents with bank and financial institution counterparties, which are having highest safety ratings based on ratings published by various credit rating agencies. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

For other financial assets, the Company assesses and manages credit risk based on reasonable and supportive forward looking information. The Company does not have significant credit risk exposure for these items.

Liquidity Risk

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Rs. In Lakhs

Particulars	**Less than 1 Year**	**1–3 Years**	**3 Years to 5 Years**
31-Mar-22			
Non-current Liabilities			
Borrowings	–	8,161.53	–
Current Liabilities			
Borrowings	2,346.41	–	–
Trade Payables	–	–	–
Other Financial Liabilities			
- Non Derivative Financial Liabilities	687.18	–	–
Total	**3,033.59**	**8,161.53**	**–**
31-Mar-21			
Non-current Liabilities			
Borrowings	–	5,225.53	–
Current Liabilities			
Borrowings	2,029.65	–	–
Trade Payables	–	–	–
Other Financial Liabilities			
- Non Derivative Financial Liabilities	507.81	–	–
Total	**2,537.46**	**5,225.53**	**–**

(iii) Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

Particulars	**As at 31st March, 2022**	As at 31st March, 2021
Secured Cash Credit facility		
- Expiring within one year	**408.59**	725.35
Total	**408.59**	725.35

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Rs. In Lakhs

Particulars	**Less than 1 Year**	**1–3 Years**	**3 Years to 5 Years**
31st March 2022			
Non-current Assets			
Loans	–	244.86	–
Current Assets			
Trade Receivables	442.30	–	–
Other Bank Balances	94.96	–	–
Loans	–	–	–
Other Financial Assets			
- Non Derivative Financial Assets	1.04	–	–
Total	**538.31**	**244.86**	**–**
31st March 2021			
Non-current Assets			
Loans	–	245.31	–
Current Assets			
Trade Receivables	754.38	–	–
Other Bank Balances	44.57	–	–
Loans	–	–	–
Other Financial Assets			
- Non Derivative Financial Assets	5.96	–	–
Total	**804.90**	**245.31**	**–**

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. All such transactions are carried out within the guidelines set by the Board of Directors.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and floating rate loans and borrowings.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST, 2022

Note No. 28 - Fair Value Measurement

Fair value of financial assets and financial liabilities that are not measured at fair value

Rs. In Lakhs

Particulars	31-Mar-22 Carrying amount	31-Mar-22 Fair value	31-Mar-21 Carrying amount	31-Mar-21 Fair value
Financial assets				
Financial assets carried at Amortised Cost				
- Loans (Non-Current)	**244.86**	**244.86**	245.31	245.31
- Trade Receivables	**442.30**	**442.30**	754.38	754.38
- Cash and Cash Equivalents	**454.30**	**454.30**	139.31	139.31
- Other Bank Balances	**94.96**	**94.96**	44.57	44.57
- Other Financial Assets	**1.04**	**1.04**	5.96	5.96
- Loans (Current)	**–**	**–**	–	–
Total	**1,237.46**	**1,237.46**	1,189.53	1,189.53
Financial liabilities				
Financial liabilities held at amortised cost				
- Non-Current Borrowings	**8,161.53**	**8,161.53**	5,225.53	5,225.53
- Borrowings	**2,346.41**	**2,346.41**	2,029.65	2,029.65
- Trade Payables	**2,367.13**	**2,367.13**	1,558.29	1,558.29
- Other Financial Liabilities	**687.18**	**687.18**	507.81	507.81
Total	**13,562.24**	**13,562.24**	9,321.28	9,321.28

Fair value hierarchy as at 31st March 2022

Rs. In Lakhs

Particulars	Level 1	Level 2	Level 3
Financial assets			
Financial assets carried at Amortised Cost			
- Trade Receivables	–	442.30	–
- Cash and Cash Equivalents	–	454.30	–
- Other Bank Balances	–	94.96	–
- Other Financial Assets	–	1.04	–
- Loans	–	–	–
Total	**–**	**992.61**	**–**
Financial liabilities			
Financial liabilities held at amortised cost			
- Non-Current Borrowings	–	8,161.53	–
- Borrowings	–	2,346.41	–
- Trade Payables	–	2,367.13	–
- Other Financial Liabilities	–	687.18	–
Total	**–**	**13,562.24**	**–**

Fair value hierarchy as at 31st March, 2021

Rs. In Lakhs

Particulars	Level 1	Level 2	Level 3
Financial assets			
Financial assets carried at Amortised Cost			
- Trade Receivables	–	754.38	–
- Cash and Cash Equivalents	–	139.31	–
- Other Bank Balances	–	44.57	–
- Other Financial Assets	–	5.96	–
- Loans	–	–	–
Total	**–**	**944.21**	**–**
Financial liabilities			
Financial liabilities held at amortised cost			
- Non-Current Borrowings	–	5,225.53	–
- Borrowings	–	2,029.65	–
- Trade Payables	–	1,558.29	–
- Other Financial Liabilities	–	507.81	–
Total	**–**	**9,321.28**	**–**

Note No. 29 - Employee benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund and Superannuation Fund aggregating Rs. 9.28 lakhs (2021 : Rs. 4.25 lakhs) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Principal Actuarial Assumptions

Particulars	**Year ended 31st March 2022 Rs**	Year ended 31st March 2021 Rs
Discount rate	**6.80%**	6.40%
Retirement age	**60 years**	60 years
Average Mortality	**IALM (2012-14) Ultimate**	IALM (2012-14) Ultimate
Salary escalation	**8.00%**	8.00%

Reconciliation of Benefit Obligation

Rs. In Lakhs

Change in defined benefit obligations (DBO)	**As at 31st March 2022**	As at 31st March 2021
Present value of DBO at beginning of the year	**13.53**	12.96
Current service cost	**2.33**	2.58

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST, 2022

Rs. In Lakhs

Change in defined benefit obligations (DBO)	As at 31st March 2022	As at 31st March 2021
Transfer In/ (Out)		
Interest cost	**0.81**	0.87
Actuarial (gains) / losses	**(1.99)**	(2.87)
Past Service Cost	**–**	–
Benefits paid	**(1.82)**	–
Present value of DBO at the end of the year	**12.86**	13.54

Expenses recognised in the statement of profit and loss

Rs. In Lakhs

Components of employee benefit expenses	Year ended 31st March 2022	Year ended 31st March 2021
Current service cost	**2.33**	2.58
Past Service Cost	**–**	
Interest cost	**0.81**	0.87
Total expense recognised in the statement of profit and loss	**3.14**	3.45

Rs. In Lakhs

Components of other comprehensive income	Year ended 31st March 2022	Year ended 31st March 2021
Actuarial Loss on obligation	**(1.99)**	(2.87)
Components of defined benefit costs recognised in other comprehensive income	**(1.99)**	(2.87)

Rs. In Lakhs

Net Asset/(Liability) recognised in the Balance Sheet	Year ended 31st March 2022	Year ended 31st March 2021
Present value of defined benefit obligation as at 31st March	**12.86**	13.53
Fair value of plan assets as at 31st March	**-**	-
Surplus/(Deficit)	**(12.86)**	(13.53)
Current portion of the above	**(2.00)**	(1.63)
Non current portion of the above	**(10.86)**	(11.90)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Rs. In Lakhs

Principal assumption		Changes in assumption	Impact on defined benefit obligation: PO as on Valuation date on account of increase in assumption	Impact on defined benefit obligation: PO as on Valuation date on account of decrease in assumption
Discount rate	2022	1.00%	7.57	8.51
	2021	1.00%	10.80	12.20

Rs. In Lakhs

Principal assumption		Changes in assumption	Impact on defined benefit obligation: PO as on Valuation date on account of increase in assumption	Impact on defined benefit obligation: PO as on Valuation date on account of decrease in assumption
Salary growth rate	2022	1.00%	8.41	7.64
	2021	1.00%	12.06	10.91

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

Note - 30 - Micro Small and Medium Enterprises Development Act 2006

The amount due to Micro and Small Enterprises as defined in the " Micro, Small and Medium Enterprises Development, Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosure relating to Micro and Small Enterprises as at 31st March 2018 are as under:

Disclosures required under Section22 of the Micro Small and Medium Enterprises Development Act 2006

Rs. In Lakhs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	**–**	–
- Interest due on above	**–**	–
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	**–**	–
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	**–**	–
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	**–**	–
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	**–**	–

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST, 2022

Note No. 31- Related Party Disclosures

(a) Related Parties where control exists

(i) Ultimate Holding Company

Mahindra & Mahindra Company

(ii) Holding Company

Mahindra Lifespace Developers Limited (wholly owned subsidiary w.e.f. 29th May 2018)

(b) Other Parties with whom transaction have taken place during the year

(i) Fellow Subsidiaries

Mahindra Integrated Business Solutions Private Limited

Mahindra Infrastructure Developers Limited

(ii) Joint Ventures

Mahindra Industrial Park Private Limited

Details of related party transactions and balances outstanding as at 31st March 2022:

Rs in Lakhs

Nature of transactions	**Mahindra & Mahindra Limited**		**Mahindra Lifespace Developers Limited**		**Mahindra Integrated Business Solutions Private Limited**		**Mahindra Industrial Park Private Ltd**		**Mahindra Infrastructure Developers Limited**	
	31-Mar-22	**31-Mar-21**	**31-Mar-22**	**31-Mar-21**	**31-Mar-22**	**31-Mar-21**	**31-Mar-22**	**31-Mar-21**	**31-Mar-22**	**31-Mar-21**
Transactions during FY 21-22										
(Income)/Expenses										
Purchase of services	8.00	6.16	22.22	3.43	7.52	8.04	–	–	–	–
Inter corporate deposit taken	–	–	4,200.00	2,675.00	–	–		–	–	2,350.00
Interest on ICD	–	–	250.82	293.98	–	–	136.01	147.88	131.06	178.43
Inter corporate deposit repaid	–	–	1,200.00	3,060.00	–	–	–	–	64.00	2,569.00
Outstandings as on Balance Sheet date										
Liabilty/(Asset)										
Payable Towards Mark Up	–	–	–	–	–	–	–	–	–	–
Payable Towards ICD Interest	–	–	383.78	300.94	–	–	112.41	79.87	190.99	77.11
Payable Towards Purchase of services	–	5.65	12.78	1.17	0.07	0.16	–	–	–	–
Other Advances Recoverable	–	–	–	–	–	–	–	–	–	–
Mobilisation Advance Recoverable	–	–	–	–	–	–	–	–	–	–
Payable Towards ICD	–	–	6,544.53	3,544.53	–	–	1,755.00	1,755.00	1,617.00	1,681.00

Note: Related parties have been identified by the Management.

Note No. 32 - Continget Liabilities

Rs in Lakhs

Particulars	**Year ended 31st March 2022**	Year ended 31st March 2021
(i) Income Tax Matter under appeal		
Rectification order from the IT office pending towards Refunds claimed by the company	**43.20**	43.20
(ii) Indirect Tax Matters under appeal		
VAT and Service Tax claims disputed by the Company relating to issues of applicability. Company is pursuing the matter with the appropriate Appellate Authorities	**88.93**	42.01

Note No. 33 - Segment Reporting

The Company operates in one segment namely Project and Development activity, hence separate segment reporting has not been made under Indian Accounting Standard (Ind- AS 108)-"Operating Segment". The operation of company comprises a single geographical segment, India.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST, 2022

Note No. 33 - Financial Ratios

	Particulars	Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	% Variance	Reasons for Variance
				Amount (In Lakhs)			
a)	Current Ratio	Current Assets	Current Liabilities	1.33	1.32	0.71%	
b)	Debt Equity Ratio	Net Debt	Equity	(5.73)	(7.54)	-23.98%	
c)	Debt Service Coverage Ratio (DSCR)	EBDITA	Total Debt	(0.08)	0.00	-12202.72%	Increase in Debt and loss in current year from last year
d)	Return of Equity	PAT	Networth	0.48	0.64	-25.75%	Higher loss in current year due to increase in operating cost
e)	Inventory Turnover ratio	COGS	Average Inventory	0.11	0.13	-16.04%	
f)	Trade Receivables turnover ratio	Turnover	Trade Receiavables (Average)	2.65	2.05	29.03%	Higher reduction in trade receivables from last year due to higher collections
g)	Trade Payable turnover ratio	COGS	Trade payable (Average)	1.03	1.06	-2.93%	
h)	Net capital turnover ratio,	Average Networth	Turnover	(0.88)	(0.31)	186.48%	Higher loss in current year due to increase in operating cost
i)	Net profit ratio	PAT	Revenue	(0.55)	(0.29)	89.93%	Higher loss in current year due to increase in operating cost
j)	Return on Capital employed	PAT	Borrowing	(0.10)	(0.00)	11916.99%	Increase in Debt and loss in current year from last year

Schedule III require explanation where the change in the ratio is more than 25% as compared to the preceding year. Since there are only two instances where the change is more than 25% i.e. Debt Equity ratio and Debt Service Coverage ratio, hence explanation is given only for the said ratios.

Note No. 35 - Disclosure Of Struck Off Companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Note No. 36 - Discrepancies between books of accounts & quarterly statements submitted to banks

The company has complied with the requirement of filing of quarterly returns/statements of current assets with the banks or financial institutions as required by bank time to time.

Note No. 37 - Unhedged Foreign Currency Exposure

The Company has no foreign currency exposure during the current year and previous year.

Note No. 38 - Events after the reporting period

No material events have occurred after the Balance Sheet date and upto the approval of the Financial Statements.

Note No. 39 - Previous Year Figures

The figures for previous year have been regrouped/reclassified wherever necessary to conform to current year's grouping/classification.

The accompanying notes are an integral part of the Financial Statements

As per our report attached hereto

For B.K.Khare & Co
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
Place : Mumbai
Date : 20th April 2022

For and on behalf of the Board of Directors
of Mahindra Bloomdale Developers Limited

Vimal Agarwal
Director DIN No. 07296320
Place : Mumbai
Date : 20th April 2022

Parveen Mahtani
Director DIN No. 05189797
Place : Mumbai
Date : 20th April 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
MAHINDRA HOMES PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Mahindra Homes Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

As part of an audit in accordance with 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 financial 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 the 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 standalone 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 Section 143(3) of the Act, based on our audit we report, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

   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, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note 32 in 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 which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts (Note No. 35) no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to accounts (Note No. 35), no funds (which are material either individually or in the aggregate) have been received by the

Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Ketan Vora
Partner
Membership No. 100459
UDIN: 22100459AHOGQG6471

Place: Mumbai
Date: 21 April 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Mahindra Homes Private Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Ketan Vora
Partner
Membership No. 100459
UDIN: 22100459AHOGQG6471

Place: Mumbai
Date: 21 April 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) As the Company does not hold any intangible assets, reporting under clause 3(i)(a) of the Order is not applicable.

(b) Some of the Property, Plant and Equipment were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the Company does not have any immovable properties of freehold or leasehold land and building other than administrative block and project facilities, temporarily constructed at project sites and capitalized as Buildings, hence reporting under clause 3(i)(c) of the Order is not applicable.

(d) The Company has not revalued any of its property, plant and equipment during the year. The Company does not have any intangible assets.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) Having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and nature of its operations. For stock of raw materials held with third parties at the year-end, written confirmations have been obta ined. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of certain current assets. In our opinion and according to the information and explanations given to us, the quarterly statements comprising unaudited financial results and Unhedged foreign currency exposures filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters ended June 30, 2021, September 30, 2021 and December 31, 2021 and no material discrepancies have been observed. The Company is yet to submit the statement for the quarter ended March 31, 2022 with the banks.

(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3 (iii) of the Order is not applicable.

(iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 of the Act, and provisions of Section 186 of the Act are not applicable to the Company, being a Company engaged in the business of providing infrastructure facilities, hence reporting under clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) Details of Statutory Dues referred to in sub clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount (Rs. in Lakh)	Period to which the Amount Relates	Forum where Dispute is Pending
Finance Act, 1994	Service Tax	153.76	FY 2015-16 to FY 2017-18	Joint Commissioner
Finance Act, 1994	Service Tax	74.58	FY 2014-15 to FY 2017-18	Commissioner (Appeals)
Finance Act, 1994	Service Tax	51.20	FY 2014-15 to FY 2017-18	Additional Commissioner
Finance Act, 1994	Service Tax	1,885.00	FY 2013-14 to FY 2017-18	Principal Commissioner
Income Tax Act, 1961	Income Tax	30.06#	FY 2013-14	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	761.44	FY 2015-16	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1,362.59^	FY 2016-17	Income Tax Appellate Tribunal

^ Net of Rs. 182.63 Lakhs paid under protest

Net of Amount adjusted against refund of AY 2019-20 of Rs.30.06 Lakhs and Net of Rs.7.51 Lakhs paid under protest

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) Loans amounting to Rs. 1,050.50 Lakhs outstanding as at 31 March 2022 are repayable on demand. According to the information and explanations given to us, such loans have not been demanded for repayment during the financial year. Considering the above, in our opinion, the Company has not defaulted in the repayment of loans (including loans repayable on demand) or other borrowings, or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company does not have any subsidiary or associate or joint venture and hence, reporting under clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and upto the date of this report)

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company (during the year) covering the period upto January 2022, for the period under audit.

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

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(xvi) (d) The Group has more than one Core Investment Company (CIC) as part of the group. There are six CIC forming part of the group.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, the provision of sub-section (5) and sub-section (6) of section 135 of the Act are not applicable to the Company for the year. Accordingly, reporting under clause (xx) of the Order is not applicable.

For **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Ketan Vora
Partner
Membership No. 100459
UDIN: 22100459AHOGQG6471

Place: Mumbai
Date: April 21, 2022

BALANCE SHEET AS AT MARCH 31, 2022

(Rs. in Lakh)

	Note No.	As at March 31, 2022	As at March 31, 2021
I ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	**21.25**	9.20
(b) Financial Assets	9		
Other Financial Assets		**294.46**	87.28
(c) Other Non-current assets	5	**579.89**	742.69
Total Non-current Assets		**895.60**	839.17
2 Current assets			
(a) Inventories	6	**26,337.33**	44,748.07
(b) Financial assets			
(i) Trade Receivables	7	**371.07**	2,878.51
(ii) Cash and Cash Equivalents	8	**287.71**	4,710.88
(iii) Bank Balances other than (ii) above	8	**17,700.22**	957.66
(iv) Other Financial Assets	9	**664.98**	370.24
(c) Other current assets	5	**4,002.41**	29,279.68
Total Current Assets		**49,363.72**	82,945.04
TOTAL ASSETS (1+2)		**50,259.32**	83,784.21
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	10	**91.35**	95.13
(b) Other Equity	11	**33,206.08**	43,756.26
Total Equity		**33,297.43**	43,851.39
Liabilities			
2 Non-current liabilities			
(a) Provisions	15	**33.14**	–
Total Non-Current Liabilities		**33.14**	–
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	**1,050.50**	7,981.78
(ii) Trade Payables			
Total outstanding dues of micro enterprises and small enterprises and	13	**772.44**	977.08
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	**1,756.47**	3,602.26
(iii) Other financial liabilities	14	**11,466.56**	15,703.64
(b) Other Current Liabilities	16	**988.97**	11,407.38
(c) Provisions	15	**893.81**	218.97
(d) Current Tax Liabilities (Net)	17	**–**	41.71
Total Current Liabilities		**16,928.75**	39,932.82
TOTAL EQUITY & LIABILITIES (1+2+3)		**50,259.32**	83,784.21
Summary of Significant Accounting Policies	2		

The accompanying notes 1 to 40 are an integral part of these financial statements.

As per our report of even date
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration Number:- 117366W/W-100018

Ketan Vora
Membership No - 100459
Partner

Place: Mumbai
Date: April 21, 2022

For and on behalf of the Board of Directors of
Mahindra Homes Private Limited

Arvind Subramanian
DIN No. 02551935
Place: Mumbai
Date: April 21, 2022

Vimal Agarwal
DIN No. 07296320
Place: Mumbai
Date: April 21, 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakh)

		Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**Income**			
	(a) Revenue from operations	18	**24,439.02**	24,401.23
	(b) Other income	19	**881.60**	286.59
	Total income (a+b)		**25,120.62**	24,687.82
II	**Expenses**			
	(a) Construction Expenses incurred	20A	**3,271.84**	3,723.93
	(b) Changes in inventories of raw materials, work-in-progress and finished goods	20B	**18,410.74**	17,416.06
	(c) Employee Benefits Expense	23	**194.93**	–
	(d) Finance Costs	22	**178.19**	595.54
	(e) Depreciation Expense	3	**6.68**	10.53
	(f) Other expenses	21	**2,582.41**	1,756.51
	Total Expenses (a+b+c+d+e+f)		**24,644.79**	23,502.57
III	**Profit Before Tax (I-II)**		**475.83**	1,185.25
IV	**Tax expense**			
	(a) Current tax	4a	**–**	–
	(b) Adjustment of Tax Expense relating to earlier period	4a	**26.77**	–
	(c) Deferred tax	4a	**–**	–
	Total tax expense (a+b+c)		**26.77**	–
V	**Profit After Tax (III-IV)**		**449.06**	1,185.25
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans (net of taxes)		**7.74**	–
	Total Other Comprehensive Income for the year		**7.74**	–
	Total Comprehensive Income for the year (V+VI)		**456.80**	1,185.25
VII	**Earnings per equity share (Face value: Rs 10/share)**			
	Basic			
	(a) Class B Equity Shares (In Rs.)	24	**378.00**	919.89
	(b) Class C Equity Shares (In Rs.)	24	**378.00**	919.89
	Diluted			
	(a) Class B Equity Shares (In Rs.)	24	**377.99**	919.89
	(b) Class C Equity Shares (In Rs.)	24	**377.99**	919.89
	Summary of Significant Accounting Policies	2		

The accompanying notes 1 to 40 are an integral part of these financial statements.

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration Number:- 117366W/W-100018

Ketan Vora
Membership No - 100459
Partner

Place: Mumbai
Date: April 21, 2022

For and on behalf of the Board of Directors of
Mahindra Homes Private Limited

Arvind Subramanian
DIN No. 02551935

Place: Mumbai
Date: April 21, 2022

Vimal Agarwal
DIN No. 07296320

Place: Mumbai
Date: April 21, 2022

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakh)

		For the year ended March 31, 2022	For the year ended March 31, 2021
A	**Cash flow from operating activities**		
	Profit/(Loss) Before Tax	**475.83**	1,185.25
	Adjustments for:		
	Allowance for credit Losses	**–**	25.00
	Depreciation Expense	**6.68**	10.53
	Finance Costs	**178.19**	595.54
	Interest Income	**(248.67)**	(233.26)
	Adjustment of Inventories on account of Net realisable value	**–**	10.68
	Operating Profit before working capital changes	**412.03**	1,593.74
	Changes in working capital:		
	(Decrease) in Trade payables	**(2,050.43)**	(1,595.71)
	(Decrease)/Increase in other current liabilities	**(9,655.35)**	1,470.90
	Increase in Provisions	**715.72**	–
	Decrease in trade and other receivables	**27,574.93**	276.95
	Decrease in inventories	**18,454.37**	17,649.32
	Cash generated from operations	**35,451.27**	19,395.20
	Net Income taxes refund	**94.18**	4.40
	Net cash generated by operating activities (A)	**35,545.45**	19,399.60
B	**Cash flows from Investing activities**		
	Payment to acquire property, plant and equipment	**(18.73)**	(0.49)
	Interest received	**94.40**	225.67
	Changes in earmarked balances amd margin accounts with banks	**(593.90)**	(374.51)
	Bank deposits (net)	**(16,286.53)**	3,304.47
	Net cash (used)/generated in Investing activities (B)	**(16,804.76)**	3,155.14
C	**Cash flows from Financing activities**		
	(Repayment) / Proceeds from Short Term Borrowings (Net)	**(6,931.28)**	3,253.66
	Repayment of Long Term Borrowings	**–**	(6,000.00)
	Buy Back of Equity Shares	**(11,010.76)**	–
	Interest Paid	**(5,221.82)**	(18,297.31)
	Net cash flow used in Financing activities (C)	**(23,163.86)**	(21,043.65)
	Net (decrease)/increase in cash and cash equivalents (A + B + C)	**(4,423.17)**	1,511.09
	Cash and cash equivalents at the beginning of the year	**4,710.88**	3,199.79
	Cash and cash equivalents at the end of the year	**287.71**	4,710.88

Summary of Significant Accounting Policies (Refer note 2)

The accompanying notes 1 to 40 are an integral part of these financial statements.

Notes

1 The above cash flow statement has been prepared under the ‘Indirect method’ as set out in “Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows”.

2 Also refer Note no. 8 - Cash and Bank Balances

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration Number:- 117366W/W-100018

Ketan Vora
Membership No - 100459
Partner

Place: Mumbai
Date: April 21, 2022

For and on behalf of the Board of Directors of
Mahindra Homes Private Limited

Arvind Subramanian
DIN No. 02551935

Place: Mumbai
Date: April 21, 2022

Vimal Agarwal
DIN No. 07296320

Place: Mumbai
Date: April 21, 2022

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED MARCH 31, 2022

A. Equity Share Capital

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the Beginning of the year	**95.13**	95.13
Less: Changes in Equity Share Capital (Refer note 10)	**(3.78)**	–
Balance at the end of the year	**91.35**	95.13

B. Other Equity

(Rs. in Lakh)

Particulars	Equity component of compound financial instruments *	Reserves & Surplus: Securities Premium	Reserves & Surplus: Retained earnings	Reserves & Surplus: Capital Redemption Reserve	Reserves & Surplus: Debenture Redemption Reserve	Total
As at March 31 2020	0.00	64,216.15	(22,245.14)	–	600.00	42,571.01
Profit for the year	–	–	1,185.25	–	–	1,185.25
Transfer from Debenture Redemption Reserve	–		600.00	–	(600.00)	–
As at March 31 2021	**0.00**	**64,216.15**	**(20,459.89)**	–	**–**	**43,756.26**
Profit for the year	–	–	449.06	–	–	449.06
Other Comprehensive Income net of taxes			7.74			7.74
Utilised for Buyback of Equity Shares	–	(11,006.98)	–	–	–	(11,006.98)
Transfer to Capital Redemption Reserve		(3.78)		3.78		–
As at March 31 2022	**0.00**	**53,205.39**	**(20,003.09)**	**3.78**	**–**	**33,206.08**

Summary of Significant Accounting Policies (refer note 2)

The accompanying notes 1 to 40 are an integral part of these financial statements.

* **Equity component of compound financial instruments:** This amount relates to equity component of convertible preference shares as per the requirements of Ind AS 32. The liability component of preference shares is NIL (Refer Note no. 11). The equity component is Rs 20/- (Previous year Rs 20/-)

As per our report of even date attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration Number:- 117366W/W-100018

Ketan Vora
Membership No - 100459
Partner
Place: Mumbai
Date: April 21, 2022

For and on behalf of the Board of Directors of
Mahindra Homes Private Limited

Arvind Subramanian
DIN No. 02551935
Place: Mumbai
Date: April 21, 2022

Vimal Agarwal
DIN No. 07296320
Place: Mumbai
Date: April 21, 2022

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. General Information

Mahindra Homes Private Limited is a private company domiciled in India and was incorporated on June 2, 2010 under the provisions of the Companies Act, 1956 applicable in India. The registered office of the company is located at 5th Floor, Mahindra Tower, Worli, Mumbai – 400018. The company is engaged in the business of development of residential complexes. The Company is currently engaged in the development of residential projects in Gurugram and Bengaluru.

2. Significant accounting policies

2.1 Statement of compliance and basis of preparation and presentation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the act.

These aforesaid financial statements were approved by Company's Board of Directors and authorised for issue in the meeting held on April 21, 2022.

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

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Measurement of Fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.3 Current versus non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Based on the nature of activity carried out by the company and the period between the procurement and realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 5 years for the purpose of Current – Non Current classification of assets & liabilities.

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Borrowings are classified as current if they are due to be settled within 12 months after the reporting period.

2.4 Revenue from Contracts with Customers

2.4.1 Revenue from Projects

- The Company develops and sells residential and commercial properties. Revenue from contracts is recognised when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer and the development of the property is completed i.e. Completed contract method of accounting as per IND AS 115 when (a) the seller has transferred to the buyer all significant risks and rewards of ownership and the seller retains no effective control of the real estate to a degree usually associated with ownership, (b) The seller has effectively handed over possession of the real estate unit to the buyer forming part of the transaction; (c) No significant uncertainty exists regarding the amount of consideration that will be derived from real estate sales; and (d) It is not unreasonable to expect ultimate collection of revenue from buyers. The revenue is measured at the transaction price agreed under the contract.
- The Company invoices the customers for construction contracts based on achieving performance-related milestones.
- For certain contracts involving the sale of property under development, the Company offers deferred payment schemes to its customers. The Company adjusts the transaction price for the effects of the significant financing component.
- Costs to obtain contracts ("Contract costs") relate to fees paid for obtaining property sales contracts. Such costs are recognised as assets when incurred and

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

amortised upon recognition of revenue from the related property sale contract.

- Contract assets is the Company's right to consideration in exchange for goods or services that the Company has transferred to a customer when that right is conditioned on something other than the passage of time

2.4.2 Dividend and Interest income

Dividend income from investment in mutual funds is recognised when the unit holder's right to receive payment has been established.

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

2.5 Foreign exchange transactions and translation

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred

2.7 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. Identification of a lease requires significant judgment.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

<u>Company as a lessee</u>

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term and a corresponding lease liability at the lease commencement date i.e. the date at which the leased asset is available for use by the Company. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant, and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

2.8 Employee Benefits

2.8.1 Defined contribution plans

The Company's contribution paid/payable during the year to Superannuation Fund and Provident fund is recognised in profit or loss.

2.8.2 Defined benefit plan

The liability or assets recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the employee benefit expenses in the Statement of Profit and Loss.

2.8.3 Remeasurement gains/losses

Remeasurement of defined benefit plans, comprising of actuarial gains or losses, return on plan assets excluding interest income are recognised immediately in balance sheet with corresponding debit or credit to other comprehensive income. They are included in Retained Earnings in the Statement of Changes in Equity and in the Balance Sheet. Remeasurements are not reclassified to profit or loss in subsequent period.

Remeasurement gains or losses on long term compensated absences that are classified as other long-term benefits are recognised in profit or loss.

2.8.4 Short-term and other long-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of expected future payments to be made in respect of services provided by employees up the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

2.9 Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.9.1 Current tax

Current tax payable is determined as the amount of tax payable in respect of taxable profit for the year. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.9.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

2.9.3 Current and deferred tax for the year

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

2.10 Property, plant, and equipment

Buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant, and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Furniture and Fixtures and Office equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised to write off the cost of assets (other than properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation on tangible fixed assets is provided on pro-rata basis on the straight-line method as per the useful life prescribed in Schedule

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

II to the Companies Act, 2013 except for certain assets as indicated below -

	Useful lives estimated by the management (years)
Computers	3 to 6
Furniture	5
Building - Office/Commercial constructed at site	5

2.11 Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash generating unit, as the case may be, is estimated and the impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.12 Inventories

Inventories are stated at lower of cost and net realisable value. The cost of construction material is determined on the basis of weighted average method. Construction Work-in-Progress includes cost of land, premium for development rights, construction costs and allocated interest & manpower costs and expenses incidental to the projects undertaken by the Company.

2.13 Cost of Construction / Development:

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

2.14 Cash and cash equivalents

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

2.15 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS - 33 on ‘Earnings per Share’.

Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all diluted potential equity shares except where the results are anti- dilutive.

2.16 Provisions and Contingent Liabilities

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Provisions and contingent liabilities are reviewed at each Balance Sheet date.

2.16.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.16.2 Contingent liabilities

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events when no reliable estimate is possible.

2.17 Financial instruments

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

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

2.17.1 Classification and subsequent movement

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured at either amortised cost or fair value, depending on their respective classification.

On initial recognition, a financial asset is classified as – measured at:

- Amortised cost; or
- Fair Value through Profit or Loss (FVTPL)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All Financial assets are not classified as measured at amortised cost or FVTOCI are measured at FVTPL.

Financial Assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment loss. Interest income and impairment loss are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

2.17.2 Impairment of financial assets

The Company applies the expected credit loss (ECL) model for recognising impairment loss on financial assets.

Loss allowance for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the party does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

2.17.3 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognised

2.18 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.18.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of directly attributable transaction costs.

2.18.2 Financial Liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

2.18.3 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.19 Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has legally enforceable rights to set off the amount and it intended either to settle them on a net basis or to realise the assets and settle liability simultaneously.

3. Use of estimates and judgements

In the application of the Company's accounting policies, which are described in note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

In the process of applying the Company's accounting policies, management has made the following judgements, which have the significant effect on the amounts recognised in the financial statements.

A. Estimation of net realisable value for inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value of inventories under construction is assessed with reference to the market prices at the reporting date less estimated costs to complete the construction and less an estimate of the time value of money to the date of completion if material. The market prices bear reference to the recent selling prices. The costs to complete the construction are estimated by management.

B. Useful lives of Depreciable/amortisable assets

The Company reviews the useful life of depreciable/amortisable assets at the end of each reporting period. This re-assessment may result in change in depreciation expense in future periods.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

C. Taxes

Deferred tax assets are recognised for unused tax losses and other temporary differences leading to deferred tax assets to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

D. Determining the timing of revenue recognition on the sale of completed and under development property

The Company has evaluated and generally concluded that the recognition of revenue over the period of time criteria are not met owing to non-enforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time. The Company has further evaluated and concluded that based on the analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate.

E. Determination of performance obligations

With respect to the sale of property, the Company has concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the Company is responsible for all these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Company accounts for them as a single performance obligation because they are not distinct in the context of the contract.

3. Property, Plant and Equipment

(Rs. in Lakh)

Description of Assets		Building	Office Equipments	Furniture and Fixtures	Computers	Total
I.	**Gross Carrying Amount**					
	Balance as at April 1, 2021	452.19	115.13	238.69	56.52	862.53
	Additions during the year	–	0.27	1.68	16.78	18.73
	Deductions during the year	–	–	–	–	–
	Balance as at March 31, 2022	**452.19**	**115.40**	**240.37**	**73.30**	**881.26**
II.	**Accumulated depreciation**					
	Balance as at April 1, 2021	452.18	109.14	238.18	53.83	853.33
	Depreciation expense for the year	–	1.70	0.42	4.56	6.68
	Deductions/adjustments during the year	–	–	–	–	–
	Balance as at March 31, 2022	**452.18**	**110.84**	**238.60**	**58.39**	**860.01**
III.	**Net carrying amount (I-II)**					
	Balance as at March 31, 2022	**0.01**	**4.56**	**1.77**	**14.91**	**21.25**
	At March 31, 2021	**0.01**	**5.99**	**0.51**	**2.69**	**9.20**

(Rs. in Lakh)

Description of Assets		Building	Office equipments	Furniture and Fixtures	Computers	Total
I.	**Gross Carrying Amount**					
	Balance as at April 1, 2020	452.19	114.99	238.35	56.52	862.05
	Additions during the year	-	0.14	0.34	-	0.48
	Deductions during the year	-	-	-	-	-
	Balance as at March 31, 2021	**452.19**	**115.13**	**238.69**	**56.52**	**862.53**
II.	**Accumulated depreciation**					
	Balance as at April 1, 2020	452.18	104.59	236.50	49.53	842.80
	Depreciation expense for the year	-	4.55	1.68	4.30	10.53
	Deductions/adjustments during the year	-	-	-	-	-
	Balance as at March 31, 2021	**452.18**	**109.14**	**238.18**	**53.83**	**853.33**
III.	**Net carrying amount (I-II)**					
	Balance as at March 31, 2021	**0.01**	**5.99**	**0.51**	**2.69**	**9.20**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

4. Tax Expense

(a) Tax Expense recognised in Statement of Profit & Loss

(Rs. in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Tax:		
Adjustment in respect of current income tax of previous year	**26.77**	–
Total income tax expense	**26.77**	–

b) Deferred Tax Assets

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Carry Forward Unused Tax losses	**5,343.14**	5,246.65
Provision for Defect Liability Expenses and Employee Benefits	**233.31**	55.11
Property, Plant and Equipment	**112.97**	125.41
Total	**5,689.42**	5,427.17
Deferred tax Asset recognised in statement of profit and loss (Refer note i)	**–**	–

i) The Company has not recognised deferred tax assets on above components as the Company do not expect sufficient taxable profits in near future to utilise the deferred tax assets

(c) Reconciliation of estimated income tax expense at tax rate to income tax expense reported in the Statement of Profit and Loss is as follows:

(Rs. in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	**475.83**	1,185.25
Income tax expense calculated at the statutory income tax rate of 25.17% (25.17% for the previous year)	**119.77**	298.33
Adjustments recognised in the current year in relation to the current tax of prior years	**26.77**	–
Effect of expenses that is deductible in determining taxable profits	**165.76**	(12.58)
Effect of income offered to tax in earlier years	**(382.02)**	(148.61)
Utilisation of carried forward business loss & unaborbed depreciation	**–**	(137.14)
Non recognition on deferred tax asset on unused tax losses	**96.49**	–
Income tax expense recognised in profit or loss	**26.77**	–

5. Other assets

(Rs. in Lakh)

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Non-current	**Current**	Non-current	Current
Advances other than capital advances				
Balances with government authorities (other than income taxes)	**–**	**28.68**	–	1,362.42
Prepaid Expenses	**–**	**32.92**	–	547.75
Income Tax Assets (Net)	**579.89**	**–**	742.69	–
Collaboration Advance	**–**	**2,988.45**	–	26,492.67
Other Advances #	**–**	**952.36**	–	876.84
Total	**579.89**	**4,002.41**	742.69	29,279.68

\# Other Advances comprises of Project Advances given to vendors.

6. Inventories (at lower of cost and net realisable value)

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Materials	**423.46**	531.84
Construction work-in-progress*	**25,137.75**	41,756.21
Finished Goods	**776.12**	2,460.02
Total	**26,337.33**	44,748.07

* Construction Work-in-Progress represents materials at site and construction cost incurred for the projects.

The Company is executing residential projects at NCR and Bengaluru. The residential project in NCR is a Joint Development with the land owner. The project saw a successful launch in 2015 in a buoyant market. The market has thereafter seen muted demand and declining prices. While valuing its balance inventory as per its accounting policies, the Company had taken an impact of Rs. 19,641 lakhs and Rs. 10.68 Lakhs in year ended March 31, 2020 and March 31, 2021 respectively. The impact for the year ended March 31, 2022 is Nil.

The Company has availed overdraft/cash credit/Working Capital Demand Loan facilities which are secured by hypothecation of inventories.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

7. Trade Receivables

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivables		
(a) Considered good- unsecured	**371.07**	2,878.51
(b) Credit Impaired	**25.00**	25.00
Less: Allowance for credit Losses	**(25.00)**	(25.00)
Total	**371.07**	2,878.51

7a. Movement in the allowance for credit losses

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	**25.00**	–
Addition during the year	**–**	25.00
Total	**25.00**	25.00

Refer Note 27 for disclosures related to credit risk, impairment risk of trade receivables under expected credit loss model and related financial instrument disclosures.

7b. Ageing for trade receivables from the due date of payment for each of the category is as follows:

(Rs. in Lakh)

Particulars	Outstanding from date of transaction/booking As at March 31, 2022	As at March 31, 2021
Undisputed Trade Receivable - Considered good - unsecured	**371.07**	2,878.51
Not Due	**197.80**	2.06
0 months - 6 months	**0.03**	2,363.73
6 months -1 year	**152.73**	153.72
1-2 Years	**–**	292.21
2-3 years	**20.51**	66.80
More than 3 years	**–**	–
Undisputed Trade Receivable - Credit impaired	**25.00**	25.00
Not Due	**–**	–
0 months - 6 months	**–**	–
6 months -1 year	**–**	–
1-2 Years	**–**	–
2-3 years	**–**	–
More than 3 years	**25.00**	25.00
Disputed Trade Receivables- which have significant increase in credit risk	**–**	–
Disputed Trade Receivables- credit impaired	**–**	–
Total	**396.07**	2,903.51

8. Cash and bank balances

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents		
Balances with banks:		
– On current accounts	**146.16**	121.88
– Fixed deposits with original maturity of less than three months	**141.55**	4,589.00
Total Cash and cash equivalent (considered in Statement of Cash Flows)	**287.71**	4,710.88
Bank Balances other than Cash and cash equivalents		
Balances with Banks:		
– Earmarked Balances	**1,386.28**	793.62
– Towards margin money	**–**	136.63
– Fixed deposits with original maturity greater than 3 months	**16,313.94**	27.41
Total Other Bank balances	**17,700.22**	957.66

9. Other Financial assets

(Rs. in Lakh)

Particulars	As at March 31, 2022 Non-current	As at March 31, 2022 Current	As at March 31, 2021 Non-current	As at March 31, 2021 Current
Other Financial assets at amortised cost				
Unsecured, considered good unless stated otherwise				
Interest accrued	**–**	**158.11**	2.60	1.24
Security Deposit with Government Authorities	**294.46**	**–**	84.68	–
Fixed Deposits towards Margin money	**–**	**506.87**	–	344.00
Fixed Deposits- Earmarked Balances	**–**	**–**	–	25.00
Total	**294.46**	**664.98**	87.28	370.24

10. Equity Share capital

(Rs. in Lakh)

Particulars	As at March 31, 2022 No. of shares	As at March 31, 2022 Amount	As at March 31, 2021 No. of shares	As at March 31, 2021 Amount
Authorised				
Ordinary Equity Shares of Rs.10 each	**100,000**	**10.00**	100,000	10.00
Class A Equity Shares of Rs.10 each	**1,550,000**	**155.00**	1,550,000	155.00
Class B Equity Shares of Rs.10 each	**116,500**	**11.65**	116,500	11.65
Class C Equity Shares of Rs.10 each	**116,500**	**11.65**	116,500	11.65

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in Lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	**Amount**	No. of shares	Amount
Series A 0.01% Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs.10 each	**250**	**0.03**	250	0.03
0.01% Compulsorily Convertible Preference Shares (CCPS) of Rs.10 each	**250**	**0.02**	250	0.02
Series B 0.01% Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs.10 each	**116,500**	**11.65**	116,500	11.65
	2,000,000	**200.00**	2,000,000	200.00
Issued, subscribed and fully paid-up shares				
Class A Equity Shares of Rs. 10 each	**822,507**	**82.25**	822,507	82.25
Class B Equity Shares of Rs. 10 each	**45,523**	**4.55**	64,423	6.44
Class C Equity Shares of Rs. 10 each	**45,523**	**4.55**	64,423	6.44
Series A 0.01% Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs.10 each*	**1**	**0.00**	1	0.00
0.01% Compulsorily Convertible Preference Shares (CCPS) of Rs.10 each*	**1**	**0.00**	1	0.00
Total	**913,555**	**91.35**	951,355	95.13

* Represents Rs. 20/- (As at March 31, 2021 Rs. 20/-)

(i) Reconciliation of the number of shares and outstanding amount

(Rs. in Lakh)

Particulars	**Opening Balance**	**Issued during the year**	**Shares extinguished on buy back**	**Closing Balance**
(a) Equity Shares without Voting rights				
Class B equity shares				
Year Ended 31 March 2022				
No. of Shares	**64,423**	**–**	**18,900**	**45,523**
Amount	**6.44**	**–**	**1.89**	**4.55**
Year Ended 31 March 2021				
No. of Shares	64,423	–	–	64,423
Amount	6.44	–	–	6.44
Class C equity shares				
Year Ended 31 March 2022				
No. of Shares	**64,423**	**–**	**18,900**	**45,523**
Amount	**6.44**	**–**	**1.89**	**4.55**
Year Ended 31 March 2021				
No. of Shares	64,423	–	–	64,423
Amount	6.44	–	–	6.44
(b) Equity Shares with Voting rights				
Class A equity shares				
Year Ended 31 March 2022				
No. of Shares	**822,507**	**–**	**–**	**822,507**
Amount	**82.25**	**–**	**–**	**82.25**
Year Ended 31 March 2021				
No. of Shares	822,507	–	–	822,507
Amount	82.25	–	–	82.25

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in Lakh)

Particulars	Opening Balance	Issued during the year	Shares extinguished on buy back	Closing Balance
(c) Preference Shares				
Series A 0.01% Optionally Convertible Redeemable Preference Shares (OCRPS)				
Year Ended 31 March 2022				
No. of Shares	**1**	**–**	**–**	**1**
Amount*	**0.00**	**–**	**–**	**0.00**
Year Ended 31 March 2021				
No. of Shares	1	–	–	1
Amount*	0.00	–	–	0.00
0.01% Compulsorily Convertible Preference Shares (CCPS)				
Year Ended 31 March 2022				
No. of Shares	**1**	**–**	**–**	**1**
Amount*	**0.00**	**–**	**–**	**0.00**
Year Ended 31 March 2021				
No. of Shares	1	–	–	1
Amount*	0.00	–	–	0.00

This Note covers the equity component of the issued convertible preference shares

* Represents Rs. 20/- (As at March 31, 2021 Rs. 20/-)

(a) Terms/ rights attached to equity shares

The Company has three classes of equity shares. The details are as follows :-

Each holder of Class A Equity Share is entitled to one vote per share, shall not carry any dividend and shall not carry any economic rights. The Series A Equity Shares shall rank subordinate to the Compulsorily Convertible Preference Shares, the Series A OCRPS, the Series B OCRPS, the Series B Equity Shares and the Series C Equity Shares with respect to distribution rights and rights on liquidation, dissolution and winding up of the affairs of the Company.

Each holder of Class B Equity Share shall be non voting and entitled to dividend. The economic rights on Series B Equity Shares shall be for the entire Series B as a whole, with economic rights equal to 50% of the total economic rights of the Shareholders of the Company, until the Series B shareholder has achieved a 17% Internal Rate of Return (IRR) on the Investment Subscription Amount. On achieving 17% IRR by the Series B shareholder, the Series B Equity Shares to carry 35% share of the total economic rights of the Shareholders of the Company.

Each holder of Class C Equity Share shall be non voting and entitled to dividend. The economic rights on Series C Equity Shares shall be for the entire Series C as a whole, with economic rights equal to 50% of the total economic rights of the Shareholders of the Company, until the Series C shareholder has achieved a 17% IRR on the Investment Subscription Amount. On achieving 17% IRR by Series C shareholder, the Series C Equity Shares to carry 65% share of the total economic rights of the Shareholders of the Company.

(b) Terms of conversion/ redemption of Optionally Convertible Redeemable Preference Shares (OCRPS)

The Series A OCRPS shall carry a dividend, as and when declared, at the rate of 0.01% per annum ("Fixed Dividends"). The Series A OCRPS shall be non-cumulative and not carry any voting rights. One Series A OCRPS shall convert to one Series A Equity Share at the conversion Ratio at the option of the holder of the Series A OCRPS. The Series A OCRPS shall be optionally redeemable at par. In the event of liquidation of the Company, Series A OCRPS shall be deemed to have been converted into Series A Equity Shares.

(c) Terms of conversion/ redemption of Compulsorily Convertible Preference Shares (CCPS)

CCPS shall carry a dividend, as and when declared, at the rate of 0.01% per annum (Fixed Dividend). The CCPS shall be non-cumulative and shall not carry any voting rights. One CCPS Share shall convert to one Series B Equity Share. The CCPS shall be deemed to have automatically and mandatorily converted to Series B Equity Shares at the Conversion Ratio at the expiry of 12 years from the date of allotment. CCPS can be voluntarily converted to Series B Equity Shares at the option of the holder. In the event of liquidation of the Company, the CCPS shall be deemed to have been converted into Series B Equity Shares.

(d) Aggregate number of equity shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	Aggregate Number of Shares **As at March 31, 2022**	 As at March 31, 2021
<u>**Series B and Series C Equity Shares**</u>		
Fully paid up pursuant to contract(s) without payment being received in cash		
Fully Paid Series C Equity Shares by way of conversion of Optionally Convertible Debentures (OCD)	**64,034**	64,034
Fully Paid Series B Equity Shares by way of conversion of Compulsory Convertible Debentures (CCD)	**64,034**	64,034
Shares extinguished on buy back		
Fully Paid Series C Equity Shares	**18,900**	–
Fully Paid Series B Equity Shares	**18,900**	–

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(ii) Details of shares held by the holding company, the ultimate holding company and its subsidiaries

Particulars	Class A Equity shares with voting rights	Class C Equity shares without voting rights	Series A 0.01% Optionally Convertible Redeemable Preference Shares (OCRPS)
As at 31st March 2022			
Mahindra Lifespace Developers Ltd - the holding company			
No. of Shares	**616,879**	**45,523**	**1**
As at 31st March 2021			
Mahindra Lifespace Developers Ltd - the holding company			
No. of Shares	616,879	64,423	1

(iii) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No.	% holding in the class	No.	% holding in the class
Equity shares without voting rights:-				
Class C equity Shares	45,523	100%	64,423	100%
Mahindra Lifespace Developers Limited - Enterprise having joint control over the Company				
Class B equity Share	45,523	100%	64,423	100%
Actis Mahi Holdings (Singapore) Private Limited - Enterprise having joint control over the Company				
Equity shares with voting rights				
Class A equity Share	616,879	75%	616,879	75.00%
Mahindra Lifespace Developers Limited - Enterprise having joint control over the Company				
Class A equity Shares	205,628	25%	205,628	25.00%
Actis Mahi Holdings (Singapore) Private Limited - Enterprise having joint control over the Company				
Preference Shares				
0.01% Optionally Convertible Redeemable Preference Shares (OCRPS)- Series A	1	100%	1	100%
Mahindra Lifespace Developers Limited - Enterprise having joint control over the Company				
0.01% Compulsorily Convertible Preference Shares (CCPS)- Series B	1	100%	1	100%
Actis Mahi Holdings (Singapore) Private Limited - Enterprise having joint control over the Company				

(iv) Shares reserved for issue under options

For details of shares reserved for issue on conversion of OCRPS and CCPS, please refer note 10 (b) and 10 (c) respectively regarding terms of conversion/ redemption of preference shares.

(v) Details of shareholdings by the Promoter's of the Company

Class of shares / Name of shareholder	As at 31st March, 2022		As at 31st March, 2021		Change during the period	% change during the period
	Number of shares held	% holding	Number of shares held	% holding		
Mahindra Lifespace Developers Limited						
Equity shares with voting rights						
Class A equity Share	616,879	75.00%	616,879	75.0%	–	0.00%
Equity shares without voting rights						
Class C equity Shares	45,523	100.00%	64,423	100.0%	–	0.00%
0.01% Optionally Convertible Redeemable Preference Shares (OCRPS)- Series A	1	100.00%	1	100.00%	–	0.00%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

11. Other Equity

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium	**53,205.39**	64,216.15
Retained earnings	**(20,003.09)**	(20,459.89)
Capital Redemption Reserve	**3.78**	–
Equity component of compound financial instruments	**0.00**	0.00
Other Equity Total	**33,206.08**	43,756.26

Description of the nature and purpose of Other Equity:

Securities Premium: The Securities Premium Reserve is created on issue of shares at a premium. During the year ended March 31, 2022, Securities Premium account is applied for the purchase of its own equity shares under Section 68 of the Companies Act 2013, refer note 30.

Retained earnings: This reserve represents cumulative profits/losses of the Company. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.

Capital Redemption Reserve: Capital Redemption Reserve is created by transferring funds from securities premium account being face value of shares bought back during the year ended March 31, 2022 in accordance with the provisions of Companies Act, 2013.

Equity component of compound financial instruments: This amount relates to equity component of convertible preference shares as per the requirements of Ind AS 32. The liability component of preference shares is NIL. The equity component is Rs. 20/- (March 31, 2021 - Rs. 20/-).

12. Borrowings

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Borrowings		
A. Loans repayable on demand (Secured) (Carried at Amortised Cost)		
From banks		
Axis Bank (Refer Note 1a)	**494.35**	2,749.17
HDFC Bank (Refer Note 1b)	**556.15**	1,232.61
B. Short Term Loans (secured) (Carried at Amortised Cost)		
HDFC Bank (Refer Note 2)	**–**	1,000.00
C. Short Term Loans (Unsecured) (Carried at Amortised Cost)		
Bajaj Finance (Refer Note 3)	**–**	3,000.00
Total current borrowings	**1,050.50**	7,981.78
Total borrowings	**1,050.50**	7,981.78

1. Loans repayable on demand from banks (Secured)

a. Axis Bank Ltd (sanctioned limit of Rs. 4,000 Lakh) (March 31, 2021- Rs. 5,000 Lakh)

Cash Credit Facility from Axis Bank Ltd carries interest rate in the range of 7.00% to 8.50% p.a (March 31, 2021-8.15% to 9.10% p.a). The facility is secured by first ranking pari passu charge by way of hypothecation (pari passu only with the security interest created / to be created to secure the working capital facilities availed by the Company) over the land admeasuring 6.8 acres and building of borrower of its Luminare Project, First charge on development rights under the Collaboration agreement, receivables (present & future) of its Luminare and Windchimes Project, Rights/Claims/Demands/Approvals/Permits relating to Luminare Project. All insurance contracts in relation to Luminare Project

b. HDFC Bank Ltd (sanctioned limit of Rs. 3,000 Lakh) (March 31, 2021- Rs. 3,000 Lakh)

Overdraft facility from HDFC Bank carries interest rate of 7.00% to 8.50% p.a (March 31, 2021- 8.45% to 9.15% p.a). The facility is secured by first pari passu charge (pari passu along with other lenders for current facility) on receivables to the extent of Borrower's share (75% of receivables) pertaining to Gurgaon project and receivable of Bengaluru project, present and future.

2. Short Term Loan from Banks (Secured)

HDFC Bank Ltd (Loan amount of Rs. 1,000 Lakhs)

Short Term working capital loan carried interest rate of 5.80% per annum. The Loan has been paid in full during the year ended March 31, 2022. This facility is part of overall sanctioned limit of Rs. 3,000 Lakhs by HDFC Bank Ltd in (1b) above. The facility is secured by first pari passu charge (pari passu along with other lenders for current facility) on receivables to the extent of Borrower's share (75% of receivables) pertaining to Gurgaon project and receivable of Bengaluru project, present and future.

3. Short Term Loan from Financial Institution (Unsecured)

Bajaj Finance Ltd (Loan amount of Rs. 3,000 Lakh)

Unsecured Short Term loan carried interest rate of 7.25% per annum. The Loan was repaid during the year ended March 31, 2022.

13. Trade Payables

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payable - micro and small enterprises*	**772.44**	977.08
Trade payable - Other than micro and small enterprises	**1,756.47**	3,602.26
Total	**2,528.91**	4,579.34

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

* This information has been determined to the extent such parties have been identified on the basis of the intimation received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

13a. Additional Disclosure in relation to Micro, Small and Medium enterprises

(Rs. in Lakh)

	Particulars	As at March 31, 2022	As at March 31, 2021
a)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	**772.44**	977.08
b)	The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	**–**	–
c)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	**–**	–

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	–	–
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	–	–
	772.44	977.08

13b. Ageing for trade payable from the due date of payment for each of the category is as follows:

(Rs. in Lakh)

Particulars	Outstanding from date of transaction/booking	
	As at March 31, 2022	As at March 31, 2021
Undisputed dues of micro enterprises and small enterprises		
Unbilled	–	–
Not Due	**772.44**	977.08
0 months - 1 year	–	–
1-2 Years	–	–
2-3 years	–	–
More than 3 years	–	–
Undisputed dues of creditors other than micro enterprises and small enterprises		
Not Due	**785.82**	310.06
0 months - 6 months	**792.15**	278.83
6 months -1 year	**104.77**	1,857.22
1-2 Years	**8.78**	81.84
2-3 years	**51.77**	311.89
More than 3 years	**13.18**	762.42
Disputed Dues- Micro, Small and Medium enterprises	–	–
Disputed Dues- Others	–	–
Total	**2,528.91**	4,579.34

14. Other Financial liabilities

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Carried at Amortised Cost		
Interest accrued	**9,885.02**	14,885.02
Advance towards Society Maintenance	**1,581.54**	818.62
Total	**11,466.56**	15,703.64

15. Provisions

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Provision for Employee Benefits		
Gratuity	**22.49**	–
Leave Encashment	**10.65**	–
Total	**33.14**	–
Current		
Provision for Employee Benefits		
Gratuity	**3.30**	–
Leave Encashment	**2.28**	–
Other Current Provisions		
Provision for Defect Liabilities	**888.23**	218.97
Total	**893.81**	218.97

Defect Liability Provisions:

Provision for defect liability represents present value of management's best estimate of the future outflow of economic resources that will be required in respect of residential units when control over the property has been transferred to the customer, the estimated cost of which is accrued during the period of construction, upon sale of units and recognition of related revenue. Management estimates the related provision for future defect liability claims based on historical cost of rectifications and is adjusted regularly to reflect new information. The residential units are generally covered under a the defect liability period limited to 5 year from the date when control over the property has been transferred to the customer.

The movement in provision for defect liabilities is as follows:

(Rs. in Lakh)

Particulars	Provision for Defect Liability
Balance at March 31, 2020	218.97
Additional provisions recognised	–
Amounts utilised during the year	–
Balance at March 31, 2021	218.97
Additional provisions recognised	669.26
Amounts utilised during the year	–
Balance at March 31, 2022	**888.23**

16. Other Current liabilities

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances received from customers	**868.40**	11,360.28
Statutory dues payable*	**120.57**	47.10
Total	**988.97**	11,407.38

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

17. Current tax liability (net)

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Current tax liability (net of Advance tax paid)	–	–
Total	**–**	41.71

18. Revenue from Operations

(Rs. in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from Contracts with Customers		
Revenue from Projects	**24,239.02**	24,401.23
Total	**24,239.02**	24,401.23

Revenue from operations for the year ended March 31, 2022 is net of Rs. 205.65 Lakhs (March 31, 2021 -Rs. 3.84 Lakhs) towards input tax credit benefits passed on to the customers as per the provisions of section 171 on Anti-Profiteering of CGST Act, 2017. The treatment is as per the prevailing Indian Accounting Standards.

Notes:

a) Contract Balances

i) Amounts received before the related performance obligation is satisfied are included in the balance sheet (Contract liability) as "Advances received from Customers" in note 16- Other Current Liabilities. Amounts billed for development milestone achieved but not yet paid by the customer are included in the balance sheet under trade receivables in note 7- Trade Receivables.

ii) During the year, the Company recognised Revenue of Rs. 8,661.57 lakhs from opening contract liability (after Ind AS 115 adoption) of Rs. 11,360.28 lakhs (recognised in previous year- Rs. 2,814.42 lakhs out of Rs. 9,754 lakhs). Contract Liability of Rs. 1,219.98 Lakhs reversed due to cancellation of units sold during the year (previous year- Rs. 1,771.66 Lakhs out of Rs. 9,754 lakhs).

iii) There were no significant changes in the composition of the contract liabilities and Trade receivable during the reporting period other than on account of periodic invoicing, sales cancellations and revenue recognition.

iv) Amounts previously recorded as contract liabilities increase due to further milestone based invoices raised during the year and decrease due to revenue recognised during the year on completion of the construction.

v) Amounts previously recorded as Trade receivables increase due to further milestone based invoices raised during the year and decrease due to collections during the year.

vi) There are no contract assets outstanding at the end of the year.

vii) The aggregate amount of the transaction price allocated to the performance obligations that are completely or partially unsatisfied as at March 31, 2022, is Rs. 793.68 lakhs (March 31, 2021- Rs. 22,311.49 lakhs). Out of this, the Company expects, based on current projections, to recognize revenue of around 100% within the next one year. This includes contracts that can be terminated for convenience with a penalty as per the agreement since, based on current assessment, the occurrence of the same is expected to be remote.

b) Reconciliation of revenue recognised with the contracted price is as follows:

(Rs. in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contracted price	**24,461.67**	24,413.19
Adjustments on account of cash discounts or early payment rebates, deferred payment schemes etc.	**(222.65)**	(11.96)
Revenue recognised as per Statement of Profit & Loss	**24,239.02**	24,401.23

c) Contract Costs

(Rs. in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract costs included in Prepaid expenses in Note 5- Other Assets	**24.94**	384.45

The Company incurs commissions that are incremental costs of obtaining a contract with a customer. Under Ind AS 115, the Company recognises the incremental costs of obtaining a contract as assets under Prepaid Expenses under note no. 5 - Other Assets and amortises it upon completion of the related property sale contract.

For the year ended March 31, 2022, amortisation amounting to Rs. 1,920.33 lakhs (Previous Year - Rs. 1,019.30 lakhs) was recognised as brokerage cost in note 21- Other expenses. There was no impairment loss in relation to the costs capitalised.

19. Other Income

(Rs. in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Income on Bank Deposits	**228.00**	221.09
Interest on Income Tax Refund	**20.67**	12.17
Miscellaneous Income	**632.93**	53.33
Total Other Income	**881.60**	286.59

20A. Construction Expenses Incurred

(Rs. in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Expenses incurred during the year		
Civil, Electricals, Contracting, etc.	**1,945.16**	3,074.07
Rates and taxes	**105.48**	192.21
Legal & Professional Fees	**226.54**	134.03
Interest costs allocated	**43.63**	244.22
Manpower Cost	**100.14**	–
Other Project Administration Cost	**181.63**	79.40
Construction Expenses incurred during the year (a)	**2,602.58**	3,723.93
Provision for Defect Liability (b)	**669.26**	–
Total Construction Expenses incurred (a+b)	**3,271.84**	3,723.93

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

20B. Changes in inventories of raw materials, work-in-progress and finished goods

(Rs. in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Stock		
Work-in-progress	**41,756.21**	42,711.11
Raw Material	**531.84**	1,250.06
Finished Goods	**2,460.02**	18,202.96
Total Opening Stock	**44,748.07**	62,164.13
Closing Stock		
Work-in-progress	**25,137.75**	41,756.21
Raw Material	**423.46**	531.84
Finished Goods	**776.12**	2,460.02
Total Closing Stock	**26,337.33**	44,748.07
Changes in inventories of raw materials, work-in-progress and Finished Goods	**18,410.74**	17,416.06

21. Other expenses

(Rs. in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Advertisement, Marketing & Business Development	**230.73**	229.15
Commission & Brokerage	**1,920.33**	1,019.30
Legal and other professional costs	**112.85**	168.83
Payment to auditors #	**29.49**	22.83
Repairs & Maintenance	**192.37**	176.11
Rates & Taxes	**64.32**	74.13
Travelling & Conveyance	**3.15**	0.70
Printing & Stationery	**3.97**	2.24
Allowance for credit Losses	**–**	25.00
Miscellaneous Expenses	**21.13**	20.45
Power & Fuel	**4.07**	17.77
Total	**2,582.41**	1,756.51

	#Payment to auditors	For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	**To Statutory Auditors**		
	For Audit	**15.73**	12.32
	For Tax Audit	**7.27**	5.60
	For Other Services	**5.39**	3.75
	Reimbursement of expenses	**–**	0.06
(b)	**To Cost Auditors for cost audit**	**1.10**	1.10
		29.49	22.83

22. Finance Costs

(Rs. in Lakh)

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a)	Interest Costs		
	Interest expense for financial liabilities at amortised cost	**210.55**	796.39
b)	Other Borrowing Cost	**0.95**	9.64
	Less: Allocated to Projects	**(43.63)**	(244.22)
c)	Interest cost due to discount to customers	**10.32**	33.73
	Total	**178.19**	595.54

23. Employee Benefits Expense

(Rs. in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages including Bonus	**280.86**	–
Contributions to provident and other funds	**4.38**	–
Staff welfare expenses	**9.83**	–
Less: Allocated to Projects	**(100.14)**	–
Total	**194.93**	–

24. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders of the Company (after adjusting for dividend on preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the profit/(loss) and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit after tax for the year (in Rs. Lakh)	**449.06**	1,185.25
Weighted average number of Class A equity shares in calculating EPS*	**822,507**	822,507
Weighted average number of Class B equity shares in calculating EPS	**59,400**	64,423
Weighted average number of Class C equity shares in calculating EPS	**59,400**	64,423
Conversion of Compulsory Convertible Preference Shares	**1**	1
Conversion of Optionally Convertible Redeemable Preference Shares	**1**	1
Face Value of Class B Equity Shares	**10**	10
Face Value of Class C Equity Shares	**10**	10
Earnings per Class B Equity share - Basic (in Rs.)	**378.00**	919.89
Earnings per Class C Equity share - Basic (in Rs.)	**378.00**	919.89
Earnings per Class B Equity share - Diluted (in Rs.)	**377.99**	919.89
Earnings per Class C Equity share - Diluted (in Rs.)	**377.99**	919.89

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The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net profit for the year, used in the calculation of basic earning per share (in Rs Lakh)	**449.06**	1,185.25
Profit for the year used in the calculation of diluted earnings per share	**449.06**	1,185.25
Weighted average number of equity shares used in calculating basic EPS	**118,800**	128,846

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Effect of dilution:		
Convertible Preference Share (in nos.)	**2**	2
Weighted average number of equity shares in the calculation of diluted EPS	**118,802**	128,848

* As Class A Equity Shares does not carry any dividend and economic rights, therefore the same has not been considered in calculation of Basic & Diluted EPS.

25. Leases

The company does not have any leasing arrangement during the year ended March 31, 2022.

26. Related party disclosures

Names of related parties and related party relationship

Related parties where control exists

Enterprises having joint control over the Company	Mahindra Lifespace Developers Limited
	Actis Mahi Holdings (Singapore) Private Limited (Formerly known as SCM Real Estate (Singapore) Pvt. Limited)
Other Related parties with whom transactions have taken place	
Holding company of enterprise having joint control over the Company	Mahindra & Mahindra Limited
Subsidiary of Holding company of enterprise having joint control over the Company	Mahindra Integrated Business Solutions Private Limited
	Mahindra Defence Systems Limited

Related party transactions

The following table provides the basic value of transactions that have been entered into with related parties for the relevant financial year:

(Rs. in Lakh)

Nature of transactions with Related Parties	For the year ended	Mahindra Lifespace Developers Limited	Actis Mahi Holdings (Singapore) Private Limited	Mahindra & Mahindra Limited	Mahindra Defence Systems Limited	Mahindra Integrated Business Solutions Private Limited
Providing Services	**31-Mar-22**	**45.39**				
	31-Mar-21	–	–	–	–	–
Receiving of Services	**31-Mar-22**	**140.55**	–	**1.27**	–	**9.55**
	31-Mar-21	37.68	–	4.22	–	11.97
Payment for Buy Back of Class B and Class C Equity Shares	**31-Mar-22**	**5,505.38**	**5,505.38**	–	–	–
	31-Mar-21	–	–	–	–	–

The following table provides the balances with related parties as on the relevant date:

(Rs. in Lakh)

Nature of Balances with Related Parties	Balance as on	Mahindra Lifespace Developers Limited	Actis Mahi Holdings (Singapore) Private Limited	Mahindra & Mahindra Limited	Mahindra Defence Systems Limited	Mahindra Integrated Business Solutions Private Limited
Payables	**31-Mar-22**	**44.95**	–	**0.42**	**0.02**	**2.67**
	31-Mar-21	117.66	–	1.95	0.02	0.52
Interest Accrued on Optionally Convertible Debentures/ Compulsorily Convertible Debentures but not due	**31-Mar-22**	**5,316.74**	**4,568.28**	–	–	–
	31-Mar-21	8,005.24	6,879.78	–	–	–

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm’s length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

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27. Financial Instruments

Capital management

The Company's capital management objectives are:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders
- maintain an optimal capital structure to reduce the cost of capital

The Management of the Company monitors the capital structure using debt equity ratio which is determined as the proportion of total debt to total equity.

(Rs. in Lakh)

	As at March 31, 2022	As at March 31, 2021
Debt	**1,050.50**	7,981.78
Cash and bank balances excluding margin monies	**(16,601.65)**	(4,738.29)
Net Debt (A)	**(15,551.15)**	3,243.49
Equity (B)	**33,297.43**	43,851.39
Net Debt Equity Ratio (A / B)	**(0.47)**	0.07

Categories of financial assets and financial liabilities

The following tables shows the carrying amount of financial assets and financial liabilities by category:

(Rs. in Lakh)

Particulars	Amortised Costs As at March 31, 2022	As at March 31, 2021
Financial assets		
Non-Current Assets		
Other Financial Assets-Non Derivative Financial Assets	**294.46**	87.28
Current Assets		
Trade Receivables	**371.07**	2,878.51
Cash and Cash Equivalents	**287.71**	4,710.88
Other Bank Balances	**17,700.22**	957.66
Other Financial Assets-Non Derivative Financial Assets	**664.98**	370.24
Total financial assets	**19,318.44**	9,004.57
Financial liabilities		
Current liabilities		
Borrowings	**1,050.50**	7,981.78
Trade Payables	**2,528.91**	4,579.34
Other financial liabilities-Non Derivative Financial Liabilities	**11,466.56**	15,703.64
Total financial liabilities	**15,045.97**	28,264.76

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factor.

CREDIT RISK

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from cash and cash equivalents and other financial assets.

Trade Receivables

The Company's trade receivables include receivables on sale of residential flats. As per the Company's flat handover policy, a flat is handed over to a customer only upon payment of entire amount of consideration. Thus, the Company is not exposed to any credit risk on receivables from sale of residential flats.

Cash and Cash Equivalents & Other Financial Assets

For banks and financial institutions, only high rated banks/institutions are accepted. The Company holds cash and cash equivalents with bank and financial institution counterparties, which are having highest safety ratings based on ratings published by various credit rating agencies. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

For other financial assets, the Company assesses and manages credit risk based on reasonable and supportive forward looking information. The Company does not have significant credit risk exposure for these items.

LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of directors who have established an appropriate liquidity risk management framework for the management of the Company's short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

(Rs. in Lakh)

Particulars	Less than 1 Year	1-3 Years	3-5 Years
Non-derivative financial liabilities			
As at March 31, 2022			
Borrowings	**1,050.50**	–	–
Trade Payables	**2,528.91**	–	–
Other financial liabilities	**11,466.56**	–	–
Total	**15,045.97**	**–**	**–**
As at March 31, 2021			
Borrowings	7,981.78	–	–
Trade Payable	4,579.34	–	–
Other financial liabilities	15,703.64	–	–
Total	**28,264.76**	**–**	**–**

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. All such transactions are carried out within the guidelines set by the Board of Directors.

Currency Risk

Foreign currency risk is the risk that the fair value or the future cash flows of an exposure will fluctuate because of changes in the foreign exchange rate. The Company undertakes transactions in foreign currencies only for purchase of components which are required to be imported to carry out construction

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

activities or for travelling and sales promotion activities; consequently, exposing to exchange rate fluctuations, but the same is not material in nature as compared to the size of the operations of the Company.

Interest rate risk

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

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's financial statements are affected through the impact on floating rate borrowings, as follows:

(Rs. in Lakh)

Particulars	Increase/ decrease in basis points	Effect on financial statements*
As at March 31, 2022		
INR	**+100**	**(10.51)**
INR	**-100**	**10.51**
As at March 31, 2021		
INR	+100	(49.82)
INR	-100	49.82

* The effect as mentioned above will have impact on the carrying value of Inventories and Profit/(Loss) Before Tax.

(iii) Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Bank Overdraft facility		
Expiring within one year	**5,949.50**	4,018.22
Total	**5,949.50**	4,018.22

28. Employee benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund and Superannuation Fund aggregating Rs. 4.38 lakhs (31st March, 2021- Nil) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the amount calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The scheme is unfunded as on March 31, 2022.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate(s)	**5.85%**	–
Expected rate(s) of salary increase	**10.00%**	–
Attrition Rate	**0 to 42: 20%**	–
Mortality	**IALM (2012-14) ULT.**	–
Retirement age of the employees is assumed to be 60 years.		

Defined benefit plans – as per actuarial valuation on 31st March, 2022

Rs. in Lakhs

Particulars	Un-funded Gratuity Plan For the year ended March 31, 2022	For the year ended March 31, 2021
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost		
Current Service Cost	**7.37**	–
Past service cost and (gains)/losses on transfer of employees from holding company as at 1st October, 2021	**–**	–
Net interest expense	**0.74**	–
Components of defined benefit costs recognised in profit or loss	**8.11**	–
Remeasurement on the net defined benefit liability		
Actuarial (gains)/loss arising from demographic assumptions	**–**	–
Actuarial (gains)/loss arising from changes in financial assumptions	**–**	–
Actuarial (gains)/loss arising from experience adjustments	**(7.74)**	–
Components of defined benefit costs recognised in other comprehensive income	**(7.74)**	–
Total	**0.37**	–

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Rs. in Lakhs

Particulars	Un-funded Gratuity Plan **For the year ended March 31, 2022**	Un-funded Gratuity Plan For the year ended March 31, 2021
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March, 2022		
1. Present value of defined benefit obligation as at 31st March, 2022	**25.79**	–
2. Fair value of plan assets as at 31st March, 2022	**–**	–
3. Surplus/(Deficit)	**(25.79)**	–
4. Current portion of the above	**(3.30)**	–
5. Non current portion of the above	**(22.49)**	–
II. Movements in the present value of the defined benefit obligation are as follows.		
1. Present value of defined benefit obligation on transfer of employees from holding company as at 1st April, 2021	**–**	–
2. Transfer out liability	**–**	–
3. *Expenses Recognised in Profit and Loss Account*		
– Current Service Cost	**7.37**	–
– Past Service Cost	**–**	–
– Interest Cost	**0.74**	–
4. *Recognised in Other Comprehensive Income*		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	**–**	–
ii. Financial Assumptions	**–**	–
iii. Experience Adjustments	**(7.74)**	–
5. Benefit payments	**–**	–
6. Present value of defined benefit obligation at the end of the year	**0.37**	–

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Rs. in Lakhs

Principal assumption		Changes in assumption (%)	Impact on defined benefit obligation: Increase in assumption	Impact on defined benefit obligation: Decrease in assumption
Discount rate	2022	1.00%	24.51	27.21
	2021	1.00%	–	–
Salary growth rate	2022	1.00%	26.98	24.66
	2021	1.00%	–	–

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

Maturity profile of defined benefit obligation:

	31st March, 2022	31st March, 2021
Within 1 year	**3.30**	–
1 - 2 year	**3.56**	–
2 - 3 year	**3.50**	–
3 - 4 year	**3.32**	–
4 - 5 year	**3.04**	–
5 - 10 years	**10.92**	–

The weighted average age considered for considered for defined benefit obligation as at March 31, 2022 is 37.11 years

29. Impact of COVID 19 (Global Pandemic)

The Management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2022 and has concluded that the impact is primarily on the operational aspects of the business during the initial months of year ended March 31, 2022. The Company has used the principles of prudence in applying judgments, estimates and assumptions based on current assessments and do not foresee any significant impact of Covid-19 on the operations. In assessing the recoverability of assets such as inventories, financial assets and other assets, based on current indicators of future economic conditions, the Company expects to recover the carrying amounts of its assets.

30. Buy Back of Shares

The proposal of buyback of Equity Shares recommended by the Board of Directors in its meeting held on November 25, 2021 was approved by the shareholders at their Extraordinary General meeting held on December 9, 2021. The buyback of equity shares was completed on December 24, 2021 and the Company bought back and extinguished a total of 37,800 equity shares from the shareholders at buyback price of 29,129/- per equity share comprising 3.97% of the pre buyback paid up equity share capital of the Company. The buyback resulted in a cash outflow of 11,010.76 Lakhs. The Company funded the buyback from its free reserves including Securities Premium as per Section 68 of the Companies Act, 2013. In accordance with section 69 of the Companies Act, 2013, the Company has created 'Capital Redemption Reserve' of 3.78 Lakhs equal to the nominal value of the shares bought back as an appropriation from Securities Premium.

31. Capital & other Commitments

At March 31, 2022, the company has commitments of Rs. 4,700 lakhs (Previous year Rs. 4,800 lakhs) relating to further security deposit payable towards Joint Development Agreement.

32. Segment information

The Company is engaged only in the business of development of property and related activities in India. It has no other reportable segments as per the terms of Indian Accounting Standards (Ind AS) 108 on Segment Reporting.

No single customer contributed 10% or more to the company's revenue for year ended March 31, 2022 and year ended March 31, 2021.

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33. Contingent Liabilities

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against the company not acknowledged against as debts-		
i) Claims received from parties not acknowledged as debts		
Represent cases filed by parties in the Consumer forum including RERA and Civil Courts disputed by the Company as advised by advocates. In the opinion of the management the claims are not sustainable.	**477.00**	–
ii) Income Tax matters under dispute		
Demand raised by Assessing Officer in respect of certain expenses disallowed. The company is pursuing the matter with Income Tax Apellate Tribunal		
- AY 2014-15	**37.57**	37.57
- AY 2016-17	**761.44**	761.44
- AY 2017-18	**1,545.20**	–

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
iii) Indirect Tax matters under dispute		
Demand raised by Service Tax Authorities claiming construction service provided by the Company under Colloaboration agreement. The Company is pursuing the matter with the appropriate appellate authorities	**1,885.00**	1,885.00
Input Service Tax claims disallowed by the Service Tax Department for FY 2013-14 to FY 2016-17. The Company is pursuing the matter with the appropriate appellate authorities	**279.5**	279.5

Note:

(i) Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above matters, timing of the cash outflows can be determined only on receipt of judgments/ decisions pending with various forums/ authorities.

(ii) The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required, and disclosures are made for contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceeding to have a materially adverse effect on its financial position.

34. Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2022.

35. Financial Ratios

							Amount (In Lakhs)
Sr No	**Particulars**	**Numerator**	**Denominator**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**	**% Variance**	**Reasons for Variance**
a)	Current Ratio	Current Assets	Current Liabilities	2.92	2.08	40.39%	Increase in collections and revenue recognition in current year
b)	Debt Equity Ratio	Net Debt	Equity	0.03	0.18	(82.67%)	Reduction in Debt from last year due to repayment
c)	Debt Service Coverage Ratio (DSCR)	EBDITA	Total Debt	0.46	0.19	140.22%	Reduction in Debt from last year due to repayment
d)	Return of Equity	Profit after Tax	Average Net worth	1.16%	2.74%	(57.51%)	Reduction of average net worth in current year due to Buy Back of equity shares
e)	Inventory Turnover ratio	COGS	Average Inventory	0.61	0.40	54.26%	Reduction in average inventory due to revenue recognition in current year
f)	Trade Receivables turnover ratio	Revenue from Operations	Trade Receivables (Average)	14.92	9.25	61.31%	Increased collection in current year as compared to previous year resulting in lower average trade receivables
g)	Trade Payable turnover ratio	COGS	Average Trade payable	6.10	3.93	55.18%	Average payables have reduced in current year due to completion of construction of tower
h)	Net capital turnover ratio	Revenue from Operations	Average Working Capital	0.64	0.57	13.26%	–
i)	Net profit ratio	Profit after Tax	Revenue from Operations	1.85%	4.86%	(61.86%)	Lower margins due to increase in employee benefits expense and other expenses in current year as compared to previous year
j)	Return on Capital employed	Profit before Interest & Tax	Capital employed	0.87%	1.14%	(23.83%)	–

Schedule III require explanation where the change in the ratio is more than 25% as compared to the preceding year. Accordingly explanation is given only for the said ratios.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

36. Expenditure on Corporate Social Responsibility (CSR)

Gross Amount required to be spent by the company for the year ended 31st March, 2022 (as certified by the Company) : Rs. NIL Lakhs (Previous Year Rs. Nil Lakhs)

37. Additional regulatory information

a) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b) Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

d) Utilisation of borrowed funds and securities premium

The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

e) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

f) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

g) Registration of Charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period

h) Whistle Blower-

During the year ended March 31, 2022 and till the date of adoption of financial statements by board of directors, the Company did not received any whistle blower compliants.

38. Discrepancies between books of accounts & quarterly statements submitted to banks

The company is required to submit quarterly unaudited financial results and unhedged foreign currency exposures. Further as part of additional covenants, the Company is required to submit various other requirments on annual basis (end use certificates, Debt-equity certificate, LEI etc.). The Company has duly complied with all the requirements of providing data/certificates in relation to various covenants with the banks and the information provided is in agreement with the books of accounts during the year ended March 31, 2022.

39. Events after the reporting period

No material events have occurred after the Balance Sheet date and upto the approval of the Financial Statements

40. Previous Year Figures

The figures for the previous year have been regrouped wherever necessary to confirm to current year's grouping.

For and on behalf of the Board of Directors of
Mahindra Homes Private Limited

Arvind Subramanian	**Vimal Agarwal**
DIN No. 02551935	*DIN No. 07296320*
Place: Mumbai	*Place: Mumbai*
Date: April 21, 2022	*Date: April 21, 2022*

INDEPENDENT AUDITOR'S REPORT

To the Members of Mahindra Happinest Developers Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Mahindra Happinest Developers Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

As part of an audit in accordance with 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 financial 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 the 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 Section 143(3) of the Act, based on our audit we report, that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

    d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

    e. On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

    g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid or provided any managerial remuneration during the year hence compliance with provisions of section 197, read with Schedule V of the Act are 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

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

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

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

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

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Ketan Vora
Partner
Membership No. 100459
UDIN: 22100459AHOGSZ2921

Place: Mumbai
Date: 21st April 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Mahindra Happinest Developers Limited ("the Company") as of 31st March 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Ketan Vora
Partner
Membership No. 100459
UDIN: 22100459AHOGSZ2921

Place: Mumbai
Date: 21st April 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Mahindra Happinest Developers Limited of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) Some of the Property, Plant and Equipment were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the Company does not have any immovable properties of freehold or leasehold land and building other than sales and project office and sales gallery, temporarily constructed at project sites and capitalized as Buildings, hence reporting under clause 3(i)(c) of the Order is not applicable.

(d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) Having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and nature of its operations. For stock of raw materials held with third parties at the year-end, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from bank or financial institution on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly statements comprising raw material, construction work in progress, finished goods, debtors and creditors filed by the Company with such bank are in agreement with the unaudited books of account of the Company of the respective quarters ended 30th June 2021, 30th September 2021 and 31st December 2021 and no material discrepancies have been observed. The Company is yet to submit the statement for the quarter ended 31st March 2022 with the bank.

(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3 (iii) of the Order is not applicable.

(iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 of the Companies Act, 2013, and provisions of Section 186 of the Companies Act, 2013 are not applicable to the Company, being a Company engaged in the business of providing infrastructure facilities, hence reporting under clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance Fund, Income-tax, Sales Tax, duty of Customs, Service Tax, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, Sales Tax, Service Tax, duty of Custom, Value Added Tax, cess and other material statutory dues in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) There are no dues of Income-tax and Goods and Service tax which have not been deposited as on 31st March 2022 on account of disputes.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company does not have any subsidiary or associate or joint venture and hence, reporting under clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us, in terms of Rule 4 of the Companies (Appointment and qualification of Directors) Rules, 2014 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, provisions of Section 177 of the Act are not applicable to the Company.

In our opinion, the Company is in compliance with section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto January 2022 for the period under audit.

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

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(xvi) (d) The Group has more than one Core Investment Company (CIC) as part of the group. There are six CIC forming part of the group.

(xvii) The Company has not incurred any cash losses in the financial year covered by our audit but had incurred cash losses amounting to Rs. 50.26 Lakh in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Ketan Vora
Partner
Membership No. 100459
UDIN: 22100459AHOGSZ2921

Place: Mumbai
Date: 21st April 2022

BALANCE SHEET AS AT 31st MARCH, 2022

(Rs. in Lakh)

	Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
	ASSETS			
I	**Non-Current Assets**			
	(a) Property, Plant and Equipment	3 & 3A	**159.17**	362.89
	(b) Intangible Assets	4	**12.72**	23.54
	(c) Financial Assets			
	Other Financial Assets	5	**4.44**	217.48
	(d) Deferred Tax Assets (Net)	6	**1,113.21**	1,158.26
	Total Non-Current Assets		**1,289.54**	1,762.17
II	**Current Assets**			
	(a) Inventories	7	**31,550.38**	26,652.95
	(b) Financial Assets			
	(i) Trade Receivables	8	**2,289.84**	4,262.80
	(ii) Cash and Cash Equivalents	9	**4,096.24**	4,940.44
	(iii) Bank Balances other than (ii) above	9	**190.20**	1,651.15
	(iv) Other Financial Assets	10	**65.40**	36.50
	(c) Other Current Assets	11	**1,450.77**	1,996.68
	Total Current Assets		**39,642.83**	39,540.52
	Total Assets (I+II)		**40,932.37**	41,302.69
	EQUITY AND LIABILITIES			
I	**Equity**			
	(a) Equity Share Capital	12	**10.00**	10.00
	(b) Other Equity	13	**(3,823.68)**	(3,689.73)
	Total Equity		**(3,813.68)**	(3,679.73)
	Liabilities			
II	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	Borrowings	14	**3,578.80**	14,026.57
	(b) Provisions	15	**27.32**	31.88
	Total Non-Current Liabilities		**3,606.12**	14,058.45
III	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	16	**4,996.19**	3,000.00
	(ii) Trade Payables:	17		
	Total outstanding dues of micro enterprises and small enterprises and		**107.41**	50.14
	Total outstanding dues of creditors other than micro enterprises and small enterprises		**1,992.72**	1,203.35
	(b) Other Current Liabilities	18	**33,993.30**	26,646.92
	(c) Provisions	15	**50.31**	23.56
	Total Current Liabilities		**41,139.93**	30,923.97
	Total Equity and Liabilities (I+II+III)		**40,932.37**	41,302.69
	Summary of Significant Accounting Policies	2		

The accompanying notes 1 to 41 are an integral part of these financial statements.

As per our report of even date attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No: 117366W/W-100018

Ketan Vora
Partner
Membership No - 100459
Place: Mumbai
Date: 21st April, 2022

For and on behalf of the Board of Directors of
Mahindra Happinest Developers Limited

Arvind Subramanian
Director
DIN - 02551935
Place: Mumbai
Date: 21st April, 2022

Vimal Agarwal
Director
DIN - 07296320

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022

(Rs. in Lakh)

	Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Income			
I	Revenue from Operations	19	**6,808.97**	4,849.18
II	Other Income	20	**269.87**	238.22
III	**Total Income (I+II)**		**7,078.84**	5,087.40
	Expenses			
	Construction Expenses Incurred	21A	**10,463.03**	7,097.23
	Changes in Inventories of Raw Material, Work-in-Progress and Finished Goods	21B	**(4,897.43)**	(3,228.65)
	Operating Expense	21C	**129.25**	89.26
	Employee Benefits Expense	22	**86.70**	364.56
	Finance Costs	23	**62.24**	127.00
	Depreciation and Amortisation Expense	3 & 4	**222.37**	177.69
	Other Expenses	24	**1,108.61**	1,798.45
IV	**Total Expenses**		**7,174.77**	6,425.54
V	**Loss Before Tax (III- IV)**		**(95.93)**	(1,338.14)
	Tax Expense			
	Current Tax		**–**	–
	Deferred Tax	25 (a)	**43.00**	–
VI	**Total Tax Expense**		**43.00**	–
VII	**Loss After Tax (V- VI)**		**(138.93)**	(1,338.14)
	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans	29	**7.03**	8.72
	Income tax relating to Items that will not be reclassified to profit or loss	25 (b)	**(2.05)**	(2.54)
VIII	**Total Other Comprehensive Income for the year**		**4.98**	6.18
IX	**Total Comprehensive Loss for the year**		**(133.95)**	(1,331.96)
X	**Earnings per Equity Share [Face value of Rs 10 each]**	26		
	Basic (in Rs.)		**(138.93)**	(1,338.14)
	Diluted (in Rs.)		**(138.93)**	(1,338.14)
	Summary of Significant Accounting Policies	2		

The accompanying notes 1 to 41 are an integral part of these financial statements.

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Place: Mumbai
Date: 21st April, 2022

Vimal Agarwal
Director
DIN - 07296320

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2022

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Cash flows from operating activities		
Loss before Tax	**(95.93)**	(1,338.14)
Adjustments for:		
Depreciation and Amortisation Expense	**222.37**	177.69
Finance Costs	**62.24**	127.00
Loss on Sale of Property, Plant and Equipment	**–**	13.34
Interest Income	**(215.93)**	(173.38)
Net loss arising on financial liabilities designated at Fair Value through Profit or Loss (FVTPL)	**467.08**	1,110.19
Operating Loss before working capital changes	**439.83**	(83.30)
Changes in:		
Increase in Trade and Other payables	**8,222.24**	15,749.84
(Increase)/Decrease in Trade and Other receivables	**2,527.61**	(4,137.81)
Increase in Inventories	**(4,355.50)**	(2,581.15)
Cash generated from operations	**6,834.18**	8,947.58
Income Taxes paid (net of refund)	**(9.16)**	(14.21)
Net cash generated from Operating activities (A)	**6,825.02**	8,933.37
Cash flows from Investing activities		
Payment to acquire Property, Plant and Equipment	**(7.83)**	(37.19)
Proceeds from disposal of Property, Plant and Equipment	**–**	11.63
Changes in earmarked balances and margin accounts with banks	**(1.87)**	(0.05)
Interest received	**213.51**	149.51
Bank Deposit (net)	**1,649.80**	(1,650.00)
Net cash generated from/(used) in Investing activities (B)	**1,853.61**	(1,526.10)
Cash flows from Financing activities		
Repayment of Borrowings	**(8,435.25)**	(3,065.47)
Interest Paid	**(1,087.57)**	(757.44)
Payment of lease Liabilities	**–**	(18.12)
Net cash flow used in Financing activities (C)	**(9,522.82)**	(3,841.03)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2022 (COUNT.)

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Net (decrease)/increase in cash and cash equivalents (A + B + C)	**(844.19)**	3,566.24
Cash and cash equivalents at the beginning of the year	**4,940.43**	1,374.19
Cash and cash equivalents at the end of the year	**4,096.24**	4,940.43

Summary of Significant Accounting Policies (Refer note 2)

Notes:

1. The above cash flow statement has been prepared under the 'Indirect method' as set out in Indian Accounting Standard (Ind AS) 7- Statement of Cash Flows.
2. Also refer note 9- Cash and cash equivalents

The accompanying notes 1 to 41 are an integral part of these financial statements.

As per our report of even date attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No: 117366W/W-100018

Ketan Vora
Partner
Membership No - 100459
Place: Mumbai
Date: 21st April, 2022

For and on behalf of the Board of Directors of
Mahindra Happinest Developers Limited

Arvind Subramanian
Director
DIN - 02551935
Place: Mumbai
Date: 21st April, 2022

Vimal Agarwal
Director
DIN - 07296320

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022

A. Equity Share Capital

(Rs. in Lakh)

Particulars	Note No	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning of the year	12	**10.00**	10.00
Add: Issue of equity shares	12	**–**	–
Balance at the end of the year		**10.00**	10.00

B. Other Equity

(Rs. in Lakh)

	Retained Earnings	Total
As at 31st March, 2020	**(2,357.77)**	(2,357.77)
Loss for the year	**(1,338.14)**	(1,338.14)
Other Comprehensive Income net of taxes*	**6.18**	6.18
Total Comprehensive Loss for the year	**(1,331.96)**	(1,331.96)
As at 31st March, 2021	**(3,689.73)**	**(3,689.73)**
Loss for the year	**(138.93)**	(138.93)
Other Comprehensive Income net of taxes*	**4.98**	4.98
Total Comprehensive Loss for the year	**(133.95)**	(133.94)
As at 31st March, 2022	**(3,823.68)**	**(3,823.68)**

* Remeasurement gains, net of taxes on defined benefit plans during the year is recognised as part of retained earnings

Summary of Significant Accounting Policies (Refer note 2)

The accompanying notes 1 to 41 are an integral part of these financial statements.

As per our report of even date attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No: 117366W/W-100018

Ketan Vora
Partner
Membership No - 100459
Place: Mumbai
Date: 21st April, 2022

For and on behalf of the Board of Directors of
Mahindra Happinest Developers Limited

Arvind Subramanian
Director
DIN - 02551935
Place: Mumbai
Date: 21st April, 2022

Vimal Agarwal
Director
DIN - 07296320

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2022

1. General Information

Mahindra Happinest Developers Limited ("The Company") (Formerly known as Mahindra Happinest Developers Private Limited) was incorporated on 6th September, 2017 under the provisions of the Companies Act,2013. It was converted to a public limited company on 26th September, 2017.

The registered office of the company is located at 5th Floor, Mahindra Tower, Worli, Mumbai – 400018. The company is engaged in the business of development of residential complexes. The company is currently engaged in development of residential projects in Palghar and Kalyan near Mumbai.

2. Significant Accounting Policies

2.1 Statement of compliance and basis of preparation and presentation

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 (the Act) and other relevant provision of the act. The aforesaid financial statements have been approved by the Company's Board of Directors and authorised for issue in the meeting held on 21st April, 2022. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Basis of measurement

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.3 Measurement of Fair Values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 : Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.4 Revenue from contracts with customers

2.4.1 Revenue from Projects

i. The Company develops and sells residential and commercial properties. Revenue from contracts is recognised when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer and the development of the property is completed i.e. Completed contract method of accounting as per IND AS 115 when (a) the seller has transferred to the buyer all significant risks and rewards of ownership and the seller retains no effective control of the real estate to a degree usually associated with ownership, (b) The seller has effectively handed over possession of the real estate unit to the buyer forming part of the transaction; (c) No significant uncertainty exists regarding the amount of consideration that will be derived from real estate sales; and (d) It is not unreasonable to expect ultimate collection of revenue from buyers. The revenue is measured at the transaction price agreed under the contract.

ii. The Company invoices the customers for construction contracts based on achieving performance-related milestones.

iii. For certain contracts involving the sale of property under development, the Company offers deferred payment schemes to its customers. The Company adjusts the transaction price for the effects of the significant financing component.

iv. Costs to obtain contracts ("Contract costs") relate to fees paid for obtaining property sales contracts. Such costs are recognised as assets when incurred and amortised upon recognition of revenue from the related property sale contract.

2.4.2 Dividend and interest income

Dividend income from investment in mutual funds is recognised when the unit holder's right to receive payment has been established

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

2.5 Current versus non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Based on the nature of activity carried out by the company and the period between the procurement and realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 5 years for the purpose of Current – Non Current classification of assets & liabilities.

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax asset and liabilities are classified as non-current asset and liabilities.

Borrowings and investment are classified as current if they are due to be settled within 12 months after the reporting period.

2.6 Leasing

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.6.1 The Company as a Lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

2.7 Employee Benefits

2.7.1 Defined Contribution Plan

The Company's contribution paid/payable during the year to Provident Fund and Superannuation Fund is recognised in profit or loss.

2.7.2 Defined Benefit Plan

The liability or assets recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the employee benefit expenses in the Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Profit and Loss as past service cost.

2.7.3 Remeasurement gains/losses

Remeasurement of defined benefit plans, comprising of actuarial gains or losses, return on plan assets excluding interest income are recognised immediately in balance sheet with corresponding debit or credit to other comprehensive income. Remeasurements are not reclassified to profit or loss in subsequent period. They are included in Retained Earnings in the Statement of Changes in Equity and in the Balance Sheet.

Remeasurement gains or losses on long term compensated absences that are classified as other long term benefits are recognised in profit or loss.

2.7.4 Short-term and other long-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of expected future payments to be made in respect of services provided by employees up the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

2.8 Cash and Cash Equivalents

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

2.9 Earnings per share

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

2.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.11 Income Taxes

Income Tax expense represents the sum of tax currently payable and deferred tax

2.11.1 Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The Company's current tax is calculated using tax rate that has been enacted or substantially enacted by the end of the reporting period.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

2.11.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

2.11.3 Current and deferred tax for the year

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

2.12 Property, plant and equipment

Buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Furniture & Fixtures and Office equipment's are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation on tangible fixed assets has been provided on pro-rata basis, on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for certain assets as indicated below:

Lease hold improvements are amortised over the period of lease/estimated period of lease.

Vehicles used by employees are depreciated over the period of 4 years considering this period as the useful life of the vehicle for the Company.

Sales office and the sample flat/ show unit cost at site is amortised over 5 years or the duration of the project (as estimated by management) whichever is lower.

Fixed Assets held for disposal are valued at estimated net realizable value.

2.13 Intangible Assets

2.13.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.13.2 Derecognition of Intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

2.13.3 Useful lives of Intangible assets

Estimated useful lives of the intangible assets are as follows:

Software 3 years

2.14 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash generating unit, as the case may be, is estimated and the impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.15 Inventories

Inventories are stated at lower of cost and net realisable value. The cost of construction material is determined on the basis of weighted average method. Construction Work-in-Progress includes cost of land, construction costs and allocated interest & manpower costs and expenses incidental to the projects undertaken by the Company.

2.16 Cost of Construction / Development:

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

2.17 Provisions and contingent liabilities

2.17.1 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. Provisions and contingent liabilities are reviewed at each Balance Sheet date.

2.17.2 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.17.3 Contingent liabilities

Contingent liability is disclosed in case of:

a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

b) a present obligation arising from past events, when no reliable estimate is possible.

2.18 Financial instruments

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

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

2.18.1 Classification and subsequent measurement

2.18.1.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as - measured at:

– Amortised cost; or

– Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain and loss on derecognition is recognised in profit or loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

2.18.1.2 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

2.18.1.3 Compound financial instruments

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

2.18.2 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.18.3 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

2.18.4 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has legally enforceable rights to set off the amount and it intended either to settle them on a net basis or to realise the assets and settle liability simultaneously.

2A. Use estimates and judgement

In the application of the Company's accounting policies, which are described in note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

In the process of applying the Company's accounting policies, management has made the following judgements based on estimates and assumptions, which have the significant effect on the amounts recognised in the financial statements:

A. Useful lives of property, plant and equipment

The Company reviews the useful life of depreciable/amortisable assets at the end of each reporting period. This re-assessment may result in change in depreciation expense in future periods.

B. Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

C. Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

D. Taxes

Deferred tax assets are recognised for temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

E. Determining the timing of revenue recognition on the sale of completed and under development property

The Company has generally evaluated and concluded that based on a careful analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate. The Company has generally concluded that the over time criteria are not met owing to non-enforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time, when control transfers which coincides with receipt of Occupation Certificate.

F. Determination of performance obligations

With respect to the sale of property, the Company has concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the Company is responsible for all these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Company accounts for them as a single performance obligation because they are not distinct in the context of the contract.

3. Property, Plant and Equipment

(Rs. in Lakh)

Description of Assets	Leasehold Improvements	Office equipments	Furniture and fixtures	Computers	Building	Vehicles	Total
I. Gross Carrying Amount							
Balance as at 1st April, 2021	–	73.77	186.30	67.35	227.06	22.74	577.22
Additions during the year	–	2.69	0.41	4.73	–	–	7.83
Deductions during the year	–	–	–	–	–	–	–
Balance as at 31st March, 2022	**–**	**76.46**	**186.71**	**72.08**	**227.06**	**22.74**	**585.05**
II. Accumulated depreciation							
Balance as at 1st April, 2021	–	30.55	66.12	30.42	78.80	8.44	214.33
Depreciation expense for the year	–	13.09	45.55	15.95	131.27	5.69	211.55
Deductions during the year	–	–	–	–	–	–	–
Balance as at 31st March, 2022	**–**	**43.64**	**111.67**	**46.37**	**210.07**	**14.13**	**425.88**
III. Net carrying amount (I-II)	**–**	**32.82**	**75.04**	**25.71**	**16.99**	**8.61**	**159.17**

(Rs. in Lakh)

Description of Assets	Leasehold Improvements	Office equipments	Furniture and fixtures	Computers	Building	Vehicles	Total
I. Gross Carrying Amount							
Balance as at 1st April, 2020	20.12	84.69	193.03	58.16	238.86	22.74	617.60
Additions during the year	–	2.80	0.67	9.19	–	–	12.66
Deductions during the year	(20.12)	(13.72)	(7.40)	–	(11.80)	–	(53.04)
Balance as at 31st Mar 2021	**–**	**73.77**	**186.30**	**67.35**	**227.06**	**22.74**	**577.22**
II. Accumulated depreciation							
Balance as at 1st April, 2020	11.72	17.56	24.10	13.62	20.80	2.75	90.55
Depreciation expense for the year	3.03	21.97	46.36	16.80	58.00	5.69	151.85
Deductions/Adjustments during the year	(14.75)	(8.98)	(4.34)	–	–	–	(28.07)
Balance as at 31st Mar 2021	**–**	**30.55**	**66.12**	**30.42**	**78.80**	**8.44**	**214.33**
III. Net carrying amount (I-II)	**–**	**43.22**	**120.18**	**36.93**	**148.26**	**14.30**	**362.89**

3A. Right of use assets

(Rs. in Lakh)

Description of Assets	As at 31st March, 2022	As at 31st March, 2021
	Buildings	Buildings
I. Gross Carrying Amount		
Balance as at 1st April	–	331.38
Additions during the year	–	–
Deductions during the year	–	(331.38)
Balance as at 31st March	–	–
II. Accumulated depreciation		
Balance as at 1st April	–	175.85
Amortisation expense for the year	–	17.94
Deductions during the year	–	(193.79)
Balance as at 31st March	–	–
III. Net carrying amount (I-II)	–	–

4. Intangible Assets

(Rs. in Lakh)

Description of Assets	As at 31st March, 2022	As at 31st March, 2021
	Software	Software
I. Gross Carrying Amount		
Balance as at 1st April	**32.45**	7.92
Additions during the year	–	24.53
Deductions during the year	–	–
Balance as at 31st March	**32.45**	32.45
II. Accumulated depreciation		
Balance as at 1st April	**8.91**	1.01
Amortisation expense for the year	**10.82**	7.90
Deductions during the year	–	–
Balance as at 31st March	**19.73**	8.91
III. Net carrying amount (I-II)	**12.72**	23.54

5. Other Non-Current Financial assets

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Financial Assets at amortised cost		
Bank deposit towards margin money	**4.22**	191.20
Accrued interest	**0.22**	26.28
Total	**4.44**	217.48

6. Deferred Tax Assets (Net)

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred Tax Assets	**1,113.21**	1,158.26
Total	**1,113.21**	1,158.26

Deferred Tax assets/(liabilities) in relation to:

(Rs. in Lakh)

Particulars	Opening Balance as at 1st April, 2021	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	**Closing Balance as at 31st March, 2022**
Fiscal allowance on Property, Plant and Equipment and Intangible Assets	18.00	45.71	–	**63.71**
Provision for Employee Benefits	7.09	1.50	(2.05)	**6.54**
Disallowance u/s 43(B) of the Income tax Act, 1961	25.35	(0.01)	–	**25.34**
Carried forward Business Loss	1,043.23	(25.61)	–	**1,017.62**
Other Temporary differences	64.59	(64.59)	–	**–**
Total	**1,158.26**	**(43.00)**	**(2.05)**	**1,113.21**

(Rs. in Lakh)

Particulars	Opening Balance as at 1st April, 2020	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	**Closing Balance as at 31st March, 2021**
Fiscal allowance on Property, Plant and Equipment and Intangible Assets	6.26	11.74	–	**18.00**
Provision for Employee Benefits	1.84	7.79	(2.54)	**7.09**
Disallowance u/s 43(B) of the Income tax Act, 1961	21.92	3.43	–	**25.35**
Carried forward Business Loss	777.04	266.19	–	**1,043.23**
Other Temporary differences	353.74	(289.15)	–	**64.59**
Total	**1,160.80**	**–**	**(2.54)**	**1,158.26**

7. Inventories (at lower of cost and net realisable value)

(Rs. in Lakh)

Particulars (Refer note (b) and (c))	As at 31st March, 2022	As at 31st March, 2021
Raw Materials	**284.48**	662.67
Construction work-in-progress (Refer note (b) and (c))	**29,385.20**	25,420.05
Finished Goods	**1,880.70**	570.23
Total	**31,550.38**	26,652.95

a) Construction Work in Progress represents materials at site and cost of actual work incurred on the projects.

b) Based on projections and estimates by the Company of the expected revenues and costs to completion, provision for losses to completion and/ or write off of costs carried to inventory are made on projects where the expected revenues are lower than the estimated costs to completion. In the opinion of the management, the net realisable value of the construction work in progress will not be lower than the costs so included therein.

c) The Company has availed term loan, which is secured by hypothecation of inventories of Palghar Project and the Company has availed overdraft facility, which is secured by hypothecation of inventories of Kalyan Project (except land).

8. Trade Receivables

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured Considered Good	**2,289.84**	4,262.80
Total	**2,289.84**	**4,262.80**

Refer Note 30 for disclosures related to credit risk and related financial instrument disclosures.

Ageing for trade receivables from the due date of payment for each of the category is as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Undisputed Trade Receivable - Considered good - unsecured	**2,289.84**	4,262.80
Not Due	**925.17**	2,399.62
0 months - 6 months	**1,239.68**	1,700.19
6 months -1 year	**58.52**	137.66
1-2 Years	**58.03**	24.64
2-3 years	**8.44**	0.69
More than 3 years	**–**	–
Undisputed Trade Receivable - Credit impaired	**–**	–
Disputed Trade Receivables- which have significant increase in credit risk	**–**	–
Disputed Trade Receivables- credit impaired	**–**	–
Total	**2,289.84**	4,262.80

9. Cash and bank balances

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash and cash equivalents		
Balances with banks:		
(i) On current accounts	**1,459.51**	684.88
(ii) Fixed Deposits with Original maturity of less than 3 months	**2,636.73**	4,255.56
Total Cash and cash equivalent (considered in Statement of Cash Flows)	**4,096.24**	4,940.44
Bank Balances other than Cash and cash equivalents		
Balances with Banks:		
(i) Towards margin money	**190.00**	1.15
(ii) Fixed Deposits with original maturity greater than 3 months	**0.20**	1,650.00
Total Other Bank balances	**190.20**	1,651.15

10. Other Financial Assets - Current

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Financial assets at amortised cost		
Unsecured, considered good unless stated otherwise		
Interest accrued on fixed deposit	**44.70**	16.22
Security Deposits	**20.70**	20.28
Total	**65.40**	36.50

11. Other Current Assets

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advances other than capital advances:		
Balances with government authorities (Other than income taxes)	**58.13**	423.84
Income Tax Assets	**26.23**	17.07
Prepaid Expenses	**1,235.44**	1,069.84
Other Advances#	**130.97**	485.93
Total	**1,450.77**	1,996.68

#Other Advances mainly include project advances given to vendors.

12. Equity Share capital

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Authorised:		
100,000 Equity shares of Rs 10 each with voting rights	**10.00**	10.00
	10.00	10.00
Issued, Subscribed and Fully Paid:		
100,000 Equity shares of Rs 10 each with voting rights	**10.00**	10.00
Total	**10.00**	10.00

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	**Rs. in Lakh**	No. of Shares	Rs. in Lakh
Balance at the beginning of the year	**100,000**	**10.00**	100,000	10.00
Add: Issued during the year	**–**	**–**	–	–
Balance at the end of the year	**100,000**	**10.00**	100,000	10.00

Terms/rights attached to equity shares with voting rights

The Company has only one class of equity shares having face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share and carry a right to dividends. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

(ii) Details of shares held by the holding company and its subsidiaries (as per Companies Act 2013)

Particulars	**Equity Shares with Voting rights**
As at 31st March, 2022	
Mahindra Lifespace Developers Limited	**51,000**
As at 31st March, 2021	
Mahindra Lifespace Developers Limited	**51,000**

Other than above shares, no shares are held by any subsidiaries or associates of the Holding Company.

(iii) Details of shareholders holding more than 5% shares in the company

	As at 31st March, 2022		As at 31st March, 2021	
Name of the shareholder	**No.**	**% holding**	No.	% holding
Equity shares with voting rights				
Mahindra Lifespace Developers Limited	**51,000**	**51%**	51,000	51%
HDFC Capital Affordable Real Estate Fund I	**49,000**	**49%**	49,000	49%

(iv) Details of shareholdings by the Promoter's of the Company

	As at 31st March, 2022		As at 31st March, 2021			
Name of the shareholder	**No.**	**% holding**	No.	% holding	Change during the period	% change during the period
Equity shares with voting rights						
Mahindra Lifespace Developers Limited	**51,000**	**51%**	51,000	51%	–	0.00%

13. Other Equity

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Retained earnings	**(3,823.68)**	(3,689.73)
Total	**(3,823.68)**	(3,689.73)

Description of the nature and purpose of other equity

Retained Earnings: This reserve represents cumulative losses of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.

14. Borrowings

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
A. Non Current Secured Borrowings- at amortised cost		
Term Loan		
Loan from other party (Refer Note 1)		4,982.97
Total Secured Borrowings (A)	**–**	4,982.97

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
B. Non Current Unsecured Borrowings- at Fair value:		
a) Debentures		
Series 1 Nil (Previous year 1,76,00,000) and Series 2 Nil (Previous year 36,884,230), 15% Optionally Convertible Redeemable Debentures ("OCRD") of Rs. 10/- each (Refer Note 2 (a))	**–**	5,670.21
b) Preference Shares		
12,33,500 Series 1 (Previous year 12,33,500) and 25,65,044 Series 2 (Previous year 25,65,044) Optionally Convertible Redeemable Preference Shares ("OCRPS") of face value of Rs. 10/- each (Refer Note 2 (b))	**3,578.80**	3,373.39
Total Unsecured Borrowings (B)	**3,578.80**	9,043.60
Total Non Current Borrowings (A + B)	**3,578.80**	14,026.57

1. **Non Current Secured Borrowings- at amortised cost:**

Term Loan from other party is repayable in 8 equal instalment starting from year 4 from the date of drawdown viz July 2018. The facility is fully secured against first charge over land, movable & immovable property, current assets and cash flow of Palghar Project. Term loan carries floating interest rate which is linked to 1 year MCLR of ICICI Bank Ltd and interest rate is in the range of 8.45% p.a. to 8.75% p.a. (previous year rate range 8.75% p.a. to 9.70% p.a.)

2. **Terms and conditions of Series 1 and Series 2 Optionally Convertible Debenture (OCDs)**

a) Series 1 and Series 2 Debentures are unsecured, unlisted, redeemable and optionally convertible debentures. The issue price of each Series 1 & Series 2 Debenture is Rs. 10 (face value Rs. 10). The Series 1 and Series 2 Debentures shall earn, interest of 15% per annum compounded annually. Interest on each Series 1 and Series 2 Debentures shall be accrued, due and payable to the holders of Series 1 & Series 2 Debentures subject to availability of Distributable Cash and on obtaining an approval from the Distributions Committee and the board of directors of the Company. Each Series 1 and Series 2 debentures constitutes a direct obligation of the Company and shall at all times rank pari passu inter se (without any preference or priority of one over the other or others of them).

At the time of redemption of Series 1 and Series 2 Debentures on a Redemption Date (not latter than 9 years from the date of allotment), the Company shall pay the holders of Series 1 and Series 2 Debentures an Interest determined by the Distributions Committee and such Interest shall become due and payable on the date of which it is determined by the Distributions Committee without the need for an approval from the Board.

At the option of the holder of the Series 1 and Series 2 Debentures, if the then outstanding Series 1 and Series 2 Debentures cannot be redeemed in full then, with the prior written unanimous approval of all the holders of the Series 1 and Series 2 Debentures, the Series 1 and Series 2 Debentures shall be converted into equity shares of the Company, in accordance with such formula as may be determined between the Company and the holder of the Series 1 and Series 2 Debentures, but at a price which is not less than fair market value of the equity shares at the time of such conversion.

In the event of conversion, the holders of Series 1 Debentures will be entitled to equity shares of the Company only up to the principal amount (i.e. the issue price) of the outstanding OCDS.

During the year ended 31st March 2022, 15% Optionally Convertible Redeemable Debentures (“OCRD”) of Rs. 10/- each Series 1 -1,76,00,000 and Series 2 -36,884,230 were redeemed.

3. **Terms and conditions of Series 1 and Series 2 Optionally Convertible redeemable Preference Shares (OCRPS)**

b) Series 1 and Series 2 Preference Shares are unsecured, unlisted, redeemable, optionally convertible preference shares. The issue price of each Series 1 & Series 2 Preference Shares is Rs. 100 (face value Rs. 10). The Series 1 and Series 2 Preference Shares shall not be entitled to any voting rights, other than as prescribed under Applicable Law and the articles of association of the Company. Each Series 1 and Series 2 Preference Share constitutes a direct obligation of the Company and shall at all times rank pari passu inter se (without any preference or priority of one over the other or others of them).

Series 1 and Series 2 Preference Shares shall be eligible to receive Redemption Premium which shall be paid along with Redemption of Series 1 and Series 2 Preference Shares ((not latter than 9 years from the date of allotment). Redemption Premium shall mean a premium not exceeding 15% per annum compounded annually from the date of subscription of the Series 1 and Series 2 Preference Shares that is being redeemed. The payment of Redemption Premium shall be subject to the Distributable Cash as determined by the Distribution Committee. The Redemption Premium shall be accrued, due and payable only on Redemption Date and proportionate to the Series 1 and Series 2 Preference Shares so being redeemed.

At the option of holder of the Series 1 and Series 2 Preference Shares, if the then outstanding Series 1 and Series 2 Preference Shares cannot be redeemed in full then, with the prior written unanimous approval of all the holders of the Series 1 and Series 2 Preference Shares, the Series 1 and Series 2 Preference Shares shall be converted into equity shares of the Company, in accordance with such formula as may be determined by the Company and the holder of the Series 1and Series 2 Preference Shares, but at a price which is not less than fair market value of the equity shares at the time of such conversion.

At the time of conversion, the holder of Preference Shares will be entitled to equity shares of the Company up to the principal amount (i.e. issue price) of the outstanding OCRPS.

15. **Provisions**

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non Current		
Provision for employee benefits (Refer Note- 29)		
Gratuity	**17.85**	20.20
Leave Encashment	**9.47**	11.68
Total	**27.32**	31.88
Current		
Provision for employee benefits (Refer Note- 29)		
Gratuity	**4.58**	4.16
Leave Encashment	**2.09**	2.43
Other Provisions		
Provision for Defect Liabilities	**43.64**	16.97
Total	**50.31**	23.56

The movement in provision for defect liabilities is as follows:

(Rs. in Lakh)

Particulars	Provision for Defect Liability
Balance at March 31, 2020	–
Additional provisions recognised	16.97
Amounts utilised during the year	–
Balance at March 31, 2021	16.97
Additional provisions recognised	26.67
Amounts utilised during the year	–
Balance at March 31, 2022	**43.64**

Defect Liability Provisions:

Provision for defect liability represents present value of management’s best estimate of the future outflow of economic resources that will be required in respect of residential units when control over the property has been transferred to the customer, the estimated cost of which is accrued during the period of construction, upon sale of units and recognition of related revenue. Management estimates the related provision for future defect liability claims based on historical cost of rectifications and is adjusted regularly to reflect new information. The residential units are generally covered under a the defect liability period limited to 5 year from the date when control over the property has been transferred to the customer.

16. Borrowings

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current maturities of long term debt (Refer Note 14 - 1)	**4,996.19**	3,000.00
Total	**4,996.19**	3,000.00

17. Trade Payables

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total outstanding dues of micro enterprises and small enterprises *	**107.41**	50.14
Total outstanding dues of creditors other than micro enterprises and small enterprises	**1,992.72**	1,203.35
Total	**2,100.13**	1,253.49

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

* This information has been determined to the extent such parties have been identified on the basis of intimation received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	**107.41**	50.14
b) The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	**–**	–
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	**–**	–
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	**–**	–
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	**–**	–

Ageing for trade payble from the due date of payment for each of the category is as follows:

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Undisputed dues of micro enterprises and small enterprises		
Unbilled	**–**	–
Not Due	**107.41**	50.14
0 months - 1 year	**–**	–
1-2 Years	**–**	–
2-3 years	**–**	–
More than 3 years	**–**	–
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled	**366.22**	268.16
Not Due	**1,381.59**	208.47
0 months - 1 year	**208.12**	78.64
1-2 Years	**24.36**	600.85
2-3 years	**8.62**	17.29
More than 3 years	**3.81**	29.94
Disputed Dues- Micro, Small and Medium enterprises	**–**	–
Disputed Dues- Others	**–**	–
Total	**2,100.13**	1,253.49

18. Other Current liabilities

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advances received from customers	**33,946.03**	26,603.60
Statutory dues payable*	**47.27**	43.32
Total	**33,993.30**	**26,646.92**

*There are no amounts due and outstanding to be credited to the Investor Education and Protection fund.

19. Revenue from Operations

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Revenue from Contract with Customers		
Revenue from Projects	**6,808.97**	4,849.18
Total	**6,808.97**	**4,849.18**

Refer Note 27 for IND AS 115 disclosures

20. Other Income

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Income on Bank Deposits	**94.86**	106.43
Interest on Bank Subvention	**52.07**	50.81
Interest Income others*	**121.07**	67.47
Miscellaneous Income	**1.87**	13.51
Total	**269.87**	**238.22**

*Includes interest charged on late payment received from customers.

21A. Construction Expenses incurred

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Expenses incurred during the year:		
Civil, Electricals, Contracting, etc.	**9,443.88**	5,505.23
Legal, Consultant & Professional Fees	**125.74**	438.83
Employee Benefits Expense Allocated	**221.87**	269.59
Interest Costs Allocated	**541.93**	664.56
Power and fuel cost	**15.55**	15.52
Other Project Administration Cost	**87.39**	186.53
Construction Expenses incurred during the year (A)	**10,436.36**	7,080.26
Provision for Defect Liability (B)	**26.67**	16.97
Total (A + B)	**10,463.03**	**7,097.23**

21B. Changes in inventories of raw material, work-in-progress and finished goods

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening Stock		
Raw Material	**662.67**	722.41
Work-in-progress	**25,420.05**	22,701.89
Finished Goods	**570.23**	–
Total Opening Stock (A)	**26,652.95**	23,424.30
Closing Stock		
Raw Material	**284.48**	662.67
W ork-in-progress	**29,385.20**	25,420.05
Finished Goods	**1,880.70**	570.23
Total Closing Stock (B)	**31,550.38**	26,652.95
Total (A - B)	**(4,897.43)**	(3,228.65)

21C. Operating Expense

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Commission & Brokerage	**129.25**	89.26
Total	**129.25**	89.26

22. Employee Benefits Expense

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries and wages including bonus	**291.21**	608.16
Contribution to provident and other funds	**12.49**	25.76
Staff welfare expenses	**4.87**	0.23
Less: Allocated to projects	**(221.87)**	(269.59)
Total	**86.70**	364.56

23. Finance Costs

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Term Loan	**528.29**	736.84
Interest on Bank Overdraft	**13.64**	3.21
	541.93	740.05
Less: Allocated to projects	**(541.93)**	(664.56)
	-	75.49
Interest on lease liabilities	**-**	0.70
Interest Others	**10.17**	-
Interest on Bank Subvention	**52.07**	50.81
Total	**62.24**	127.00

Analysis of Interest Expenses by Category

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Expenses		
On Financial Liabilities at Amortised Cost	**541.93**	740.05

24. Other expenses

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Advertisement, Marketing & Business Development	**308.27**	452.47
Legal and Other Professional costs	**115.74**	81.08
Power & Fuel	**0.33**	0.50
Repairs and Maintenance	**51.55**	34.62

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Rent, Rates & Taxes	**56.44**	5.41
Subscription & Membership Fees	**–**	2.97
Security Charges	**–**	0.90
Travelling and Conveyance Expenses	**18.58**	29.06
Printing & Stationery	**9.97**	10.71
Net Loss arising on financial liabilities designated at Fair Value through Profit or Loss (FVTPL)	**467.08**	1,110.19
Payment to Auditors #	**22.36**	18.02
Miscellaneous Expenses	**58.29**	39.18
Loss of Sale of Fixed Asset and Asset Written off	**–**	13.34
Total	**1,108.61**	1,798.45

(Rs. in Lakh)

# Payment to Auditors	For the year ended 31st March, 2022	For the year ended 31st March, 2021
For Audit	**10.74**	9.00
For Tax Audit	**3.89**	3.00
For Other Services	**7.73**	5.95
For Reimbursement of expenses	**–**	0.07
Total	**22.36**	18.02

25. Income Taxes

(a) Income Tax recognised in profit or loss

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current Tax		
In respect of current year	**–**	–
Deferred Tax		
In respect of current year origination and reversal of temporary differences	**43.00**	–
Total	**43.00**	–

(b) Income tax recognised in Other Comprehensive income

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit plans	**2.05**	2.54
Total	**2.05**	2.54

(c) Reconciliation of estimated income tax expense at tax rate to income tax expense reported in Profit or Loss is as follows:

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Loss before tax	**(95.93)**	(1,338.14)
Income tax expense calculated at 29.12%	**(27.93)**	(389.67)
Effect of tax incentives and concessions	**0.26**	0.84
Business Loss	**25.61**	–
Changes in recognised deductible temporary differences	**45.06**	–
Unrecognised Deferred Tax Asset	**–**	388.83
Total	**43.00**	–

26. Earnings per share (EPS)

Basic and diluted EPS amounts are calculated by dividing the loss for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

The following reflects the loss and share data used in the basic and diluted EPS computations:

(Rs. in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Loss after tax (Rs. in Lakh)	**(138.93)**	(1,338.14)
Weighted average number of equity shares	**1,00,000**	1,00,000
Face Value of Equity Shares (in Rs.)	**10**	10
Earnings per Equity share - Basic (in Rs.)	**(138.93)**	(1,338.14)
Earnings per Equity share - Diluted (in Rs.)	**(138.93)**	(1,338.14)

27. Disclosures as per IND AS 115

(1) Contract Balances

(a) Amounts received before the related performance obligation is satisfied are included in the balance sheet (Contract liability) as “Advances received from Customers/Income received in Advance” in note no. 18- Other Current Liabilities amounting to Rs 33,946.03 lakhs (previous year Rs. 26,603.60 lakhs). Amounts billed for development milestones achieved but not yet paid by the customer are included in the balance sheet under note no.8 - Trade Receivables amounting to Rs. 2,289.84 lakhs (previous year Rs. 4,262.80 lakhs)

(b) During the year, the Company recognised Revenue of Rs. 5,275.51 lakhs (previous year Rs. 3,764.77 lakhs) from opening contract liability of Rs. 26,603.60 lakhs (previous year Rs. 10,789.52 lakhs). Contract Liability of Rs 430.72 Lakhs reversed due to cancellation of units sold during the year (previous year- Rs 323.61 Lakhs).

(c) There were no significant changes in the composition of the contract liabilities during the reporting period other than on account of periodic invoicing and one new project opened for sale.

(d) Amounts previously recorded as contract liabilities increased due to further milestone based invoices raised during the year and one new project opened for sale.

(e) There are no contract assets outstanding at the end of the year.

(f) The aggregate amount of the transaction price allocated to the performance obligations that are completely or partially unsatisfied as at March 31, 2022, is Rs. 44,396.86 lakhs (previous year Rs. 46,327.57 lakhs). Out of this, the Company expects, based on current projections, to recognize revenue of around 35% (previous year 15%) within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience with a penalty as per the agreement since, based on current assessment, the occurrence of the same is not expected to be material.

(g) Reconciliation of revenue recognised with the contracted price is as follows:

(Rs. in Lakh)

Particulars	**As at 31st March, 2022**	As at 31st March, 2021
Contracted price	**6,861.04**	4,899.99
Adjustments on account of cash discounts or early payment rebates, deferred payment schemes etc.	**(52.07)**	(50.81)
Revenue recognised as per Statement of Profit & Loss	**6,808.97**	4,849.18

(2) Contract costs

(Rs. in Lakh)

Particulars	**As at 31st March, 2022**	As at 31st March, 2021
Contract costs included in Prepaid expenses in Note no. 11- Other Current Assets	**1,235.02**	1,074.84

The Company incurs commissions & incentives that are incremental costs of obtaining a contract with a customer. Under Ind AS 115, the Company recognises the incremental costs of obtaining a contract as assets under Prepaid Expenses under Note no. 11 - Other Current Assets and amortises it upon completion of the related property sale contract.

For the year ended March 31, 2022, amortisation amounting to Rs. 129.25 lakhs (Previous Year - Rs. 89.26 lakhs) was recognised as brokerage cost. There was no impairment loss in relation to the costs capitalised.

28. Related parties disclosures

Names of related parties and related party relationship

Related parties where control exists

Enterprises having joint control over the Company	Mahindra Lifespace Developers Ltd.
	HDFC Capital Affordable Real Estate Fund I

Other Related parties with whom transactions have taken place during the year

Holding Company of Enterprise exercising joint control over the Company	Mahindra & Mahindra Ltd.
Subsidiary of Holding Company of Enterprise exercising joint control over the Company	a) Mahindra Integrated Business Solutions Pvt. Ltd. b) Mahindra Engineering & Chemical Products Ltd.
Key Managerial Personnel	Mr. Arvind Subramanian
Relative of Key Managerial Personnel	Mrs. Poornima Subramanian

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant period:

(Rs. in Lakh)

Nature of transactions with Related Parties	**Year Ended**	Mahindra Lifespace Developers Ltd.	HDFC Capital Affordable Real Estate Fund I	Mahindra & Mahindra Ltd.	Mahindra Integrated Business Solutions Pvt. Ltd.	Mahindra Engineering & Chemical Products Ltd.	Mrs. Poornima Subramanian
Redemption of Series I Debenture (OCDs)	**31-Mar-22**	**1,362.11**	**4,086.32**	**–**	**–**	**–**	**–**
	31-Mar-21	250.00	750.00	–	–	–	–
Sale of Goods	**31-Mar-22**	**–**	**–**	**–**	**–**	**–**	**11.79**
	31-Mar-21	–	–	–	–	–	29.49
Purchase of Goods	**31-Mar-22**	**–**	**–**	**–**	**–**	**–**	**–**
	31-Mar-21	–	–	–	–	2.70	–
Receiving of services	**31-Mar-22**	**–**	**–**	**28.52**	**50.34**	**–**	**–**
	31-Mar-21	3.51	–	21.51	65.13	–	–
Interest on Series I Debenture (OCDs)	**31-Mar-22**	**120.85**	**362.55**	**–**	**–**	**–**	**–**
	31-Mar-21	516.37	1,549.10	–	–	–	–
Reimbursement made to parties	**31-Mar-22**	**38.11**	**–**	**–**	**–**	**–**	**–**
	31-Mar-21	95.29	–	–	–	–	–
Reimbursement received from parties	**31-Mar-22**	**18.67**	**–**	**–**	**–**	**–**	**–**
	31–Mar–21	36.16	–	–	–	–	–

The following table provides the balances with related parties as on balance sheet date:

(Rs. in Lakh)

Nature of Balances with Related Parties	Balance as at	Mahindra Lifespace Developers Ltd.	HDFC Capital Affordable Real Estate Fund I	Mahindra & Mahindra Ltd.	Mahindra Integrated Business Solutions Pvt. Ltd.
Long Term Borrowings - Series 1 & Series 2 debentures (OCDs)	**31–Mar–22**	**–**	**–**	**–**	**–**
	31–Mar–21	1,362.11	4,086.32	–	–
Long Term Borrowings - Series 1 & Series 2 preference Shares (OCRPs)	**31–Mar–22**	**949.66**	**2,848.88**	**–**	**–**
	31–Mar–21	949.66	2,848.88	–	–
Payables	**31–Mar–22**	**25.67**	**–**	**9.10**	**11.13**
	31–Mar–21	59.12	–	5.71	14.85

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

29. Employee benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund and Superannuation Fund aggregating Rs. 12.49 lakhs (31st March, 2021 Rs. 25.76 lakhs) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the amount calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The scheme is unfunded as on March 31, 2022.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	As at 31st March, 2022	31st March, 2021
Discount rate(s)	**5.85%**	5.71%
Expected rate(s) of salary increase	**10.00%**	5.00%
Attrition Rate	**0 to 42: 20%**	0 to 42: 16%
Mortality	**IALM (2012-14) ULT.**	IALM (2012-14) ULT.

Retirement age of the employees is assumed to be 60 years.

Defined benefit plans – as per actuarial valuation on 31st March, 2022

(Rs. in Lakh)

Particulars	**Un-funded Gratuity Plan For the year ended 31st March, 2022**	For the year ended 31st March, 2021
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost		
Current Service Cost	**3.83**	9.07
Net interest expense	**1.27**	1.76
Components of defined benefit costs recognised in profit or loss	**5.10**	10.83
Remeasurement on the net defined benefit liability		
Actuarial (gains)/loss arising from demographic assumptions	**(0.20)**	–
Actuarial (gains)/loss arising from changes in financial assumptions	**1.22**	(0.03)
Actuarial (gains)/loss arising from experience adjustments	**(8.05)**	(8.69)
Components of defined benefit costs recognised in other comprehensive income	**(7.03)**	(8.72)
Total	**(1.93)**	2.11

(Rs. in Lakh)

Particulars	Un-funded Gratuity Plan For the year ended 31st March, 2022	For the year ended 31st March, 2021
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March, 2022		
1. Present value of defined benefit obligation at end of the year	**22.43**	24.36
2. Current portion of the above	**(4.58)**	(4.16)
3. Non current portion of the above	**(17.85)**	(20.20)
II. Movements in the present value of the defined benefit obligation are as follows.		
1. Present value of defined benefit obligation	**24.36**	33.27
2. Transfer out liability	**–**	(6.65)
3. *Expenses Recognised in Profit and Loss Account*		
- Current Service Cost	**3.83**	9.07
- Past Service Cost	**–**	–
- Interest Cost	**1.27**	1.76
4. *Recognised in Other Comprehensive Income*		
Remeasurement gains/(losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	**(0.20)**	–
ii. Financial Assumptions	**1.22**	(0.03)
iii. Experience Adjustments	**(8.05)**	(8.69)
5. Benefit payments	**–**	(4.37)
6. Present value of defined benefit obligation at the end of the year	**22.43**	24.36

The actuarial valuation of the present value of the defined benefit obligation was carried out as at March 31, 2022 by G. N. Agarwal, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

			(Rs. in Lakh)	
			Impact on defined benefit obligation	
Principal Assumptions	**Year**	**Changes in assumption (%)**	**Increase in assumption**	**Decrease in assumption**
Discount rate	**2022**	**1.00%**	**21.60**	**23.34**
	2021	1.00%	23.32	25.51
Salary growth rate	**2022**	**1.00%**	**22.76**	**22.12**
	2021	1.00%	24.85	23.92

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous year.

Maturity profile of defined benefit obligation:

(Rs. in Lakh)

	31st March, 2022	31st March, 2021
Within 1 year	**4.58**	4.16
1 - 2 year	**3.87**	3.59
2 - 3 year	**3.38**	3.44
3 - 4 year	**2.88**	3.10
4 - 5 year	**2.45**	2.68
5 - 10 years	**9.11**	11.79

The weighted average age considered for defined benefit obligation as at 31st March 2022 is 33.92 years (Previous Year was 33.71 years)

30. Financial Instruments

Capital management

The Company's capital management objectives are-

– safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders

– maintain an optimal capital structure to reduce the cost of capital

The Management of the Company monitors the capital structure using net debt equity ratio which is determined as the proportion of net debt to total equity.

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Debt	**4,996.19**	7,982.97
Cash and Bank Balances	**(4,286.44)**	(6,782.79)
Net Debt (A)	**709.75**	1,200.17
Total Equity (B)	**(3,813.68)**	(3,679.73)
Net Debt Equity Ratio (A/B)	**(0.19)**	(0.33)

* Since Optionally Convertible Debentures and Optionally Convertible Redeemable Preference shares issued by the company are subscribed by the share-holders, the Debt-equity ratio of the company is reviewed by the management based on the external debt only.

Categories of financial assets and financial liabilities

The following tables shows the carrying amount of financial assets and financial liabilities by category:

As at 31st March, 2022

(Rs. in Lakh)

Particulars	Amortised Costs	FVTPL	Total
Non- Current Assets			
Other Financial assets	**4.44**	**–**	**4.44**
Current Assets			
Trade Receivables	**2,289.84**	**–**	**2,289.84**
Cash and Bank Balances	**4,286.44**	**–**	**4,286.44**
Other Financial Assets - Non derivative financial asset	**65.40**	**–**	**65.40**
Non-current Liabilities			
Borrowings	**–**	**3,578.80**	**3,578.80**
Current Liabilities			
Borrowings	**4,996.19**		**4,996.19**
Trade Payables	**2,100.13**	**–**	**2,100.13**

As at 31st March, 2021

(Rs. in Lakh)

Particulars	Amortised Costs	FVTPL	Total
Non- Current Assets			
Other Financial assets	217.48	–	217.48
Current Assets			
Trade Receivables	4,262.80	–	4,262.80
Cash and Bank Balances	6,591.59	–	6,591.59
Other Financial Assets - Non derivative financial asset	36.50	–	36.50
Non-current Liabilities			
Borrowings	4,982.97	9,043.60	14,026.57
Current Liabilities			
Trade Payables	1,253.49	–	1,253.49
Borrowings	3,000.00	–	3,000.00

31. Impact of COVID-19 (Global Pandemic)

The Management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at year ended 31st March, 2022 and has concluded that the impact is primarily on the operational aspects of the business during the initial months of year ended 31st March, 2022. The Company has used the principles of prudence in applying judgments, estimates and assumptions based on current assessments and do not foresee any significant impact of Covid-19 on the operations. In assessing the recoverability of assets such as inventories, financial assets and other assets, based on current indicators of future economic conditions, the Company expects to recover the carrying amounts of its assets.

32. Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

CREDIT RISK

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from cash and cash equivalents and other financial assets.

Trade Receivables

The Company's trade receivables include receivables on sale of residential flats. As per the Company's flat handover policy, a flat is handed over to a customer only upon payment of entire amount of consideration. Thus, the Company is not exposed to any credit risk on receivables from sale of residential flats.

Cash and cash equivalents and other financial assets

For Cash and bank balances only high rated banks are accepted. The Company holds cash and cash equivalents with banks which are having highest safety ratings based on ratings published by various credit rating agencies. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

For other financial assets, the Company assesses and manages credit risk based on reasonable and supportive forward looking information. The Company does not have significant credit risk exposure for these items.

LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of Directors who have established an appropriate liquidity risk management framework for the management of the Company's short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

(Rs. in Lakh)

Particulars	Less than 1 Year	1 Year to 3 Years	3 Year to 5 Years
Non-derivative financial liabilities			
As at 31st March, 2022			
Trade and other payables	**1,225.18**	**874.95**	**–**
Current Secured Borrowings	**4,996.19**	**–**	**–**
Series 1 and Series 2 Optionally Convertible Redeemable Preference Shares ("OCRPs")	**–**	**3,578.80**	**–**
Total	**6,221.37**	**4,453.76**	**–**

(Rs. in Lakh)

Particulars	Less than 1 Year	1-3 Years	3-5 Years
Non-derivative financial liabilities			
As at 31st March, 2021			
Trade and other payables	3,946.46	307.03	–
Non Current Secured Borrowings	–	4,982.97	–
Current Secured Borrowings	3,000.00	–	–
Series 1 Optionally Convertible Redeemable Preference Shares ("OCRPs")	–	2,674.00	699.39
15% Series 1 Optionally Convertible Redeemable Debenture ("OCD")	4,780.00	890.21	–
Total	11,726.46	8,854.21	699.39

(iii) Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

(Rs. in Lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Secured Bank Overdraft facility		
- Expiring within one year	**2,700.00**	4,200.00
Total	**2,700.00**	4,200.00

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. All such transactions are carried out within the guidelines set by the Board of Directors.

CURRENCY RISK

Foreign currency risk is the risk that the fair value or the future cash flows of an exposure will fluctuate because of changes in the foreign exchange rate. The

Company undertakes transactions denominated in foreign currencies only for the purchases of the components which are required to carry out the construction activities. The Company manages its foreign currency risk by forward contracts that are expected to occur within a maximum 12 month from the entering of a contract.

INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and floating rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's loss before tax is affected through the impact on floating rate borrowings, as follows:

	Currency	Increase/ decrease in basis points	(Rs. in Lakh)
As at 31st March, 2022	**INR**	**+100**	**(49.96)**
	INR	**-100**	**49.96**
As at 31st March, 2021	INR	+100	(49.83)
	INR	-100	49.83

Fair Valuation Techniques and Inputs used - Recurring Items

(Rs. in Lakh)

Financial liabilities measured at Fair value	Fair value as at 31st March, 2022	Fair value hierarchy	Valuation Technique(s)	Key input(s) used
Borrowings				
Series 1 and Series 2 Optionally Convertible Redeemable Preference Shares ("OCRPS")	3,578.80	Level 3	Income Approach - Discounted Cash Flow	For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.
Total	**3,578.80**			

(Rs. in Lakh)

Financial assets and liabilities measured at Fair value	Fair value as at 31st March, 2021	Fair value hierarchy	Valuation Technique(s)	Key input(s) used
Borrowings				
Series 1 Optionally Convertible Redeemable Debenture ("OCD")	5,670.21	Level 3	Income Approach - Discounted Cash Flow	For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.
Series 1 Optionally Convertible Redeemable Preference Shares ("OCRPS")	3,373.39	Level 3	Income Approach - Discounted Cash Flow	For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.
Total	**9,043.60**			

Significant unobservable inputs used in level 3 fair value measurements

(Rs. in Lakh)

Financial assets measured at Fair value	Fair value as at 31st March, 2022	Fair value as at 31st March, 2021	Fair value hierarchy	Significant unobservable inputs	Relationship of unobservable inputs to fair value and sensitivity
Borrowings					
Series 1 and Series 2 Optionally Convertible Redeemable Debenture ("OCD")	–	5,670.21	Level 3	Interest Rates to discount future cash flow, Financial Projections	Any change (increase/ decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation
Series 1 and Series 2 Optionally Convertible Redeemable preference shares ("OCRPS")	3,578.80	3,373.39	Level 3	Interest Rates to discount future cash flow, Financial Projections	Any change (increase/ decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation

Except for the above, carrying value of Other financial assets/liabilities represent reasonable estimate of fair value.

Reconciliation of Level 3 fair value measurements of financial instruments measured at fair value

(Rs. in Lakh)

Particulars	Series 1 and Series 2 Optionally Convertible Redeemable Preference Shares ("OCRPS")	Series 1 and Series 2 Optionally Convertible Redeemable Debenture ("OCD")	Total
Year Ended 31st March 2022			
Opening Balance of Fair Value	**3,373.39**	**5,670.21**	**9,043.60**
Total incomes/gains or (losses) recognised in Profit or Loss	205.41	261.67	467.08
Redemption of Optionally Convertible Redeemable Debentures during the year	–	(5,931.88)	(5,931.88)
Closing Balance of Fair Value	**3,578.80**	**–**	**3,578.80**
Year Ended 31st March 2021			
Opening Balance of Fair Value	**3,335.70**	**7,663.18**	**10,998.88**
Total incomes/gains or (losses) recognised in Profit or Loss	37.69	1,072.50	1,110.19
Redemption of Optionally Convertible Redeemable Debentures during the year	–	(3,065.47)	(3,065.47)
Closing Balance of Fair Value	**3,373.39**	**5,670.21**	**9,043.60**

33. Financial Ratios

(Rs. in Lakh)

	Particulars	Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	% Variance	Reasons for Variance
a)	Current Ratio	Current Assets	Current Liabilities	0.96	1.28	-24.64%	–
b)	Debt Equity Ratio	Debt (Borrowings)	Equity	(2.25)	(4.63)	-51.41%	Reduction in Debt from last year due to repayment
c)	Debt Service Coverage Ratio (DSCR)	Earning Available for debt service (Refer note (i) below)	Debt Service (Refer note (ii) below)	0.02	(0.06)	-133.53%	Reduction in Debt from last year due to repayment and increase in revenue during the year as compared to previous year
d)	Return of Equity	Loss After Tax	Average Equity	3.71%	44.40%	-91.65%	Reduction in ratio due to reduction in employee benefits expense and Net Loss arising on financial liabilities designated at Fair Value through Profit or Loss (FVTPL)
e)	Inventory Turnover ratio	Revenue from Operations	Average Inventory	0.23	0.15	51.43%	Due to increase in revenue in current year as compared to previous year.
f)	Trade Receivables turnover ratio	Revenue from Operations	Trade Receiavables (Average)	2.08	2.28	-8.65%	–
g)	Trade Payable turnover ratio	Cost of Sales	Average Trade payable	3.32	3.03	9.39%	–
h)	Net capital turnover ratio,	Revenue from Operations	Average Working Capital (Refer note (iii) below)	1.91	0.42	358.08%	Increase in ratio due to increase in contractual liability
i)	Net profit ratio	Loss After Tax	Revenue from Operations	-2.04%	-27.60%	-92.61%	Higher margins due to increase in revenue in current year as compared to previous year, reduction in employee benefit and FVTPL loss reduction
j)	Return on Capital employed	Earning before interest & taxes (Refer note (iv) below)	Capital employed (Refer note (v) below)	-2.88%	-9.57%	-69.84%	Reduction in Debt from last year due to repayment, reduction in employee benefits expense and Net Loss arising on financial liabilities designated at Fair Value through Profit or Loss (FVTPL)

Schedule III require explanation where the change in the ratio is more than 25% as compared to the preceding year. Accordingly explanation is given only for the said ratios.

The company operates in real estate business and is governed by IND AS 115 for recording the revenue as per completion contract method. Accordingly, above mentioned ratios may not be strictly comparable.

Formula used for calculation of Ratios and Financial Indicators are as below :

(i) Earning for Debt Service = Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest Expense

(ii) Debt Service = Borrowing + Interest Payment

(iii) Working Capital = Current Asset - Current Liabilities

(iv) Earning before interest & taxes = Loss before Tax + Finance Cost

(v) Capital Employed = Equity + Borrowing - Intangible Assets

34 Additional regulatory information

a) The company do not have any benami property, where any proceeding has been initiated on or are pending against the company for holding benami property.

b) **Corporate Social Responsibility (CSR)**

The provisions of Corporate Social Responsibility (CSR) expenditure are not applicable to the company.

c) **Relationship with struck off companies**

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

d) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries

e) **Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

f) **Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

g) **Registration of Charges or satisfaction with Registrar of Companies (ROC)**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period

35. Discrepancies between books of accounts & quarterly statements submitted to bank

The quarterly statements comprising raw material, construction work in progress, finished goods, debtors and creditors filed by the Company with such bank are in agreement with the unaudited books of accounts for the quarter ended 30th June 2021, 30th September 2021 and 31st December 2021 and no material discrepancies have been observed. The company is yet to submit the statement for the quarter ended 31st March 2022 to the bank.

36 Contingent Liabilities

(Rs. in Lakh)

Particulars	**As at March 31, 2022**	As at March 31, 2021
Claims against the company not acknowledged against as debts-		
Claims received from parties not acknowledged as debts		
Represent cases filed by parties in the Consumer forum including RERA and Civil Courts disputed by the Company as advised by advocates. In the opinion of the management the claims are not sustainable.	**1,011.38**	949.15

In the opinion of the management the above claims are not sustainable and the Company does not expect any outflow of economic resources in respect of above claims and therefore no provision is made in respect thereof.

37 Segment information

The Company is engaged only in the business of development of property and related activities in India. It has no other reportable segments as per the terms of Indian Accounting Standards (Ind AS) 108 on Segment Reporting.

38 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2022.

39 Leases

The company does not have any leasing arrangement during the year ended March 31, 2022.

40 Events after the reporting period

No material events have occurred after the Balance Sheet date and upto the approval of the financial statements.

41 Previous year figures

The figures for previous year have been regrouped wherever necessary to confirm to current year's classification.

For and on behalf of the Board of Directors of
Mahindra Happinest Developers Limited

Arvind Subramanian	**Vimal Agarwal**
Director	Director
DIN - 02551935	DIN - 07296320
Place: Mumbai	
Date: 21st April, 2022	

INDEPENDENT AUDITOR'S REPORT

To The Members of Mahindra Industrial Park Chennai Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Mahindra Industrial Park Chennai Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's Report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- Based on the work we have performed, we conclude that we have nothing to report in this regard.

Management's Responsibility 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

As part of an audit in accordance with 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 financial 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 the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial statements.

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 Section 143(3) of the Act, based on our audit 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 and so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   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, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company did not have any pending litigations which would impact its financial position.

      ii. The Company did not have material foreseeable losses in respect of long–term contracts and the Company did not have any derivative contracts.

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

      iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub–clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

P Usha Parvathy
Partner
(Membership No. 207704)
(UDIN: 22207704AHTQTI8852)

Place: Chennai
Date: April 25, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph "f" under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Mahindra Industrial Park Chennai Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us , the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm Registration No. 117366W/W–100018)

P Usha Parvathy
Partner
(Membership No. 207704)
UDIN: 22207704AHTQTI8852

Place: Chennai
Date: April 25, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Capital Work in Progress.

(a) (B) As the Company does not hold any intangible assets, reporting under clause (i)(a)(B) of the Order is not applicable.

(b) The Property, Plant and Equipment and Capital Work in Progress, were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancy was noticed on such verification.

(c) According to the information and explanation given to us, immovable properties of land, whose title deeds have been mortgaged as security for loans are held in the name of the Company as per the Memorandum of Deposit of Title deeds executed by the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment during the year. The Company does not have any intangible assets.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) Having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and nature of its operations and no discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.

(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.

(iv) The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause (iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order relating to maintenance of cost records is not applicable.

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

Undisputed statutory dues, including Goods and Service tax, Provident Fund, Income–tax, duty of Custom, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities. We have been informed that the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income–tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred in sub–clause (a) above which have not been deposited on account of disputes as on March 31, 2022.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an examination of the financial statements of the Company and as represented to us by the Management, the company has not raised funds on short-term basis.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company did not have any subsidiary or joint venture or associate during the year and hence reporting on clause (ix)(f) of the Order relating to loans raised during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub–section (12) of section 143 of the Companies Act has been filed in Form ADT–4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit report issued to the Company covering the period April 2021 to January 2022 and the internal audit report was issued on 19 April 2022.

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

(xvi) The Company is not required to be registered under section 45–IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b), (c) of the Order is not applicable.

(xvi) (d) The Group has more than one Core Investment Company (CIC) as part of the group. There are six CIC forming part of the group.

(xvii) The Company has incurred cash losses amounting to Rs.92,892,068 in the financial year covered by our audit but had not incurred cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

(xxi) This is relating to Consolidated Financial Statements. Accordingly, reporting under this clause (xxi) is not applicable to the company.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm Registration No. 117366W/W–100018)

P Usha Parvathy
Partner
(Membership No. 207704)
UDIN: 22207704AHTQTI8852

Place: Chennai
Date: April 25, 2022

BALANCE SHEET AS AT MARCH 31, 2022

(Amounts in INR)

Particulars	Note No.	As at 31 March, 2022	As at 31 March, 2021
ASSETS			
Non–current assets			
(a) Property, Plant and Equipment	4a	**25,60,15,589**	8,64,71,556
(b) Capital Work in Progress	4b	**41,71,104**	16,76,21,179
(c) Financial Assets			
(i) Other Financial Assets	5	**4,82,352**	4,57,352
(d) Deferred Tax Asset	6	**3,55,46,559**	1,10,55,319
		29,62,15,604	26,56,05,406
Current assets			
(a) Inventories	7	**2,81,58,98,632**	2,71,51,93,424
(b) Financial assets			
(i) Trade Receivables	8	**46,77,060**	32,94,28,954
(ii) Cash and Cash Equivalents	9	**19,27,11,344**	1,71,47,610
(iii) Other Financial Assets	5	**3,97,808**	–
(c) Other current assets	10	**1,39,94,684**	76,83,132
		3,02,76,79,528	3,06,94,53,120
Total Assets		**3,32,38,95,132**	3,33,50,58,526
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	11	**1,70,00,00,000**	1,70,00,00,000
(b) Other Equity			
(i) Securities Premium	12	**9,00,00,000**	9,00,00,000
(ii) Retained Earnings	12	**(12,22,23,551)**	(4,93,23,659)
Total Equity		**1,66,77,76,449**	1,74,06,76,341
Non–current liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	**1,45,05,74,011**	1,29,35,67,083
(ii) Other Financial Liabilities	14A	**1,222**	32,10,498
(b) Other Liabilities	14B	**35,88,556**	–
(c) Provisions	15	**6,36,126**	11,71,483
		1,45,47,99,915	1,29,79,49,064
Current liabilities			
(a) Financial Liabilities			
(i) Trade Payable			
Total outstanding dues of micro enterprises and small enterprises	16	**25,27,432**	17,11,607
Total outstanding dues of creditors other than micro enterprises and small enterprises	16	**45,13,199**	3,51,83,705
(ii) Other Financial Liabilities	14	**19,24,76,675**	19,58,81,449
(b) Provisions	15	**1,52,846**	1,06,877
(c) Other Current Liabilities	17	**16,48,616**	6,35,49,483
		20,13,18,768	29,64,33,121
Total Equity and Liabilities		**3,32,38,95,132**	3,33,50,58,526

See accompanying notes which are an integral part of the financial statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

P Usha Parvathy
Partner

Place: Chennai
Date: 25 April, 2022

For and on behalf of the board of directors of
Mahindra Industrial Park Chennai Limited

ARVIND SUBRAMANIAN
Director
(DIN: 02551935)

PARVEEN PRAKASH MAHTANI
Director
DIN: 05189797)

Bharathy K
Chief Financial Officer

Aman J Desai
Company Secretary

Place: Chennai
Date: 20 April, 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in INR)

Particulars	Note No.	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Income			
Revenue from Operations	18A	**66,93,361**	40,97,12,227
Other Income	18B	**11,92,272**	–
Total income		**78,85,633**	40,97,12,227
Expenses			
Project Development Expenses		**2,20,17,808**	7,08,45,730
Decrease/(Increase) in inventories of work-in-progress and Construction materials	19	**(10,07,05,208)**	14,09,21,174
Employee Benefits Expense	21	**3,36,24,615**	3,23,37,652
Operation & Maintenance	20	**1,47,37,168**	14,03,000
Depreciation Expenses	4	**37,67,275**	7,24,034
Finance Cost	22	**11,41,64,742**	11,64,55,874
Other expenses	23	**1,76,70,365**	3,47,42,314
Total Expense		**10,52,76,765**	39,74,29,778
(Loss)/Profit before tax		**(9,73,91,132)**	1,22,82,449
Tax expenses			
Current tax	6	**–**	–
Deferred tax	6	**(2,44,91,240)**	32,04,605
Total tax expenses		**(2,44,91,240)**	32,04,605
(Loss)/Profit for the year (A)		**(7,28,99,892)**	90,77,844
Other Comprehensive Income		**–**	–
Other Comprehensive Income for the year (B)		**–**	–
Total Comprehensive Income for the year (A+B)		**(7,28,99,892)**	90,77,844
Earnings per equity share	24		
Basic & Diluted			
Equity Shares [nominal value of share Rs 10 (March 31, 2021: Rs 10)]		**(0.43)**	0.05

See accompanying notes which are an integral part of the financial statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

P Usha Parvathy
Partner

Place: Chennai
Date: 25 April, 2022

For and on behalf of the board of directors of
Mahindra Industrial Park Chennai Limited

ARVIND SUBRAMANIAN
Director
(DIN: 02551935)

PARVEEN PRAKASH MAHTANI
Director
DIN: 05189797)

Bharathy K
Chief Financial Officer

Aman J Desai
Company Secretary

Place: Chennai
Date: 20 April, 2022

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in INR)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Cash flow from operating activities		
(Loss)/ Profit for the year	**(9,73,91,132)**	1,22,82,449
Non-cash adjustment to reconcile profit before tax to net cash flows:		
Depreciation	**37,67,275**	7,24,034
Interest Expense	**11,41,64,742**	11,64,55,874
Advances not recoverable and writtenoff	**7,31,789**	–
Operating Profit before working capital changes	**2,12,72,674**	12,94,62,357
Working Capital changes and other adjustments:		
(Decrease)/ Increase in Trade payables	**(2,98,54,681)**	1,74,09,714
(Decrease)/ Increase in Other Current Liabilities	**(6,19,00,867)**	5,42,00,075
Increase in Other Financial Liabilities- Current	**20,37,858**	1,21,75,406
(Decrease)/ Increase in Other Financial Liabilities- Non Current	**(32,09,276)**	11,26,043
(Decrease)/ Increase in Provisions	**(4,89,388)**	2,60,909
Decrease/ (Increase) in Trade receivables	**32,47,51,894**	(24,69,11,554)
(Increase)/ Decrease in Inventories	**(10,07,05,208)**	14,09,21,174
(Increase)/ Decrease in Other Financial assets	**(4,22,808)**	2,08,881
Decrease in Other Liabilities	**35,88,556**	–
(Increase)/ Decrease in Other Current Assets	**(1,07,78,819)**	2,75,512
Cash generated from operations	**14,42,89,935**	10,91,28,517
Direct taxes paid (net of refunds)	**37,35,478**	11,44,703
Net cash from/(used in) Operating activities (A)	**14,80,25,413**	11,02,73,220
Cash flows from Investing activities		
Payments for acquistion of property, plant and equipment	**(2,70,23,823)**	(3,22,13,463)
Net cash used in Investing activities (B)	**(2,70,23,823)**	(3,22,13,463)
Cash flows from Financing activities		
Proceeds from Inter Corporate Deposit	**–**	4,00,00,000
Repayment of Inter Corporate Deposit	**–**	(16,00,00,000)
Proceeds from Borrowings	**25,31,60,000**	23,00,00,000
Repayment of Borrowings	**(8,33,44,500)**	(5,99,94,750)
Interest Paid	**(11,52,53,356)**	(12,17,65,573)
Net cash from/(used in) Financing activities (C)	**5,45,62,144**	(7,17,60,323)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**17,55,63,734**	62,99,434
Cash and cash equivalents at the beginning of the period	**1,71,47,610**	1,08,48,176
Cash and cash equivalents at the end of the period	**19,27,11,344**	1,71,47,610
Components of cash and cash equivalents		
Cash on hand	**–**	–
With banks		
– on current account	**27,11,344**	1,71,47,610
– Deposit with original maturity of less than three months	**19,00,00,000**	–
Total cash and cash equivalents	**19,27,11,344**	1,71,47,610

See accompanying notes which are an integral part of the financial statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

P Usha Parvathy
Partner

Place: Chennai
Date: 25 April, 2022

For and on behalf of the board of directors of
Mahindra Industrial Park Chennai Limited

ARVIND SUBRAMANIAN
Director
(DIN: 02551935)

PARVEEN PRAKASH MAHTANI
Director
DIN: 05189797)

Bharathy K
Chief Financial Officer

Aman J Desai
Company Secretary

Place: Chennai
Date: 20 April, 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. Equity Share Capital

Particulars	No. of Shares	Amount in INR
Equity Shares of Rs. 10 each issued, subscribed and fully paid		
As at 1 April, 2020	17,00,00,000	1,70,00,00,000
Issued during the year	–	–
At 31 March, 2021	**17,00,00,000**	**1,70,00,00,000**
Issued during the year	–	–
As at 31 March, 2022	**17,00,00,000**	**1,70,00,00,000**

B. Other Equity

Amounts in INR

Particulars	Reserves and Surplus		
	Securities Premium	Retained earnings	Total
As at 1 April, 2021	9,00,00,000	(5,84,01,503)	3,15,98,497
Profit for the year	–	90,77,844	90,77,844
Other Comprehensive Income/(Loss)	–	–	–
As at 31 March, 2022	**9,00,00,000**	**(4,93,23,659)**	**4,06,76,341**
Profit for the year	–	(7,28,99,892)	(7,28,99,892)
Other Comprehensive Income/(Loss)	–	–	–
As at 31 March, 2022	**9,00,00,000**	**(12,22,23,551)**	**(3,22,23,551)**

See accompanying notes which are an integral part of the financial statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

P Usha Parvathy
Partner

Place: Chennai
Date: 25 April, 2022

For and on behalf of the board of directors of
Mahindra Industrial Park Chennai Limited

ARVIND SUBRAMANIAN
Director
(DIN: 02551935)

PARVEEN PRAKASH MAHTANI
Director
DIN: 05189797)

Bharathy K
Chief Financial Officer

Aman J Desai
Company Secretary

Place: Chennai
Date: 20 April, 2022

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

1. General Information

Mahindra Industrial Park Chennai Limited ("the Company") was incorporated on December 22, 2014. The Company is in the business of land development for industrial, commercial and residential use. The Company acquires land and incurs expenditure on its development and related infrastructure facilities for lease/sale. The Company is developing a 260–acre Industrial Park in North Chennai on NH 15.

The Company is a joint venture between Mahindra World City Developers Limited and Sumitomo Corporation SC of Japan.

2. Significant Accounting Policies

2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with IND AS notified under the Companies (Indian Accounting Standards) Rules, 2015 to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (to the extent notified and applicable). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

2.3.1 Land Lease Premium

Land lease premium is recognized as income upon creation of leasehold rights in favour of the lessee or upon an agreement to create leasehold rights with handing over of possession.

2.3.2 Income from sale of land

Revenue from sale is recognized upon transfer of title to the acquirer.

2.3.3 Income from Operation & Maintenance (O&M)

Income from operation & maintenance charges and water charges are recognized on an accrual basis as per terms of the agreement with the lessees.

2.3.4 Dividend and interest income

Dividend income from investment in mutual funds is recognised when the unit holder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

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

2.4 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.4.1 Current tax

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

2.4.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

2.4.3 Current and deferred tax for the year

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

2.5 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight–line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.6 Goods and Services Tax (GST)

GST credit on materials purchased/services availed for construction / Input services are taken into account at the time of purchase. GST input credit is accounted for in the books in the period in which the underlying service / goods received is accounted and when there is no uncertainty in availing/ utilising the credits. GST credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired. The GST credits so taken are utilised for payment of GST on sale of land. The unutilised GST credit is carried forward in the books.

2.7 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Work in progress includes cost of land and all expenditure incurred in connection with, or attributable to the project, and, being a long–term project, includes interest.

2.9 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short–term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.10 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non–cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.11 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) because of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.11.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.12 Financial instruments

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

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

2.13 Foreign currency transactions and translations

Foreign currency transactions are recorded at exchange rates prevailing on the date of transaction. Monetary assets / liabilities are translated at exchange rates prevailing on the date of settlement or at the year–end as applicable, and gain / loss arising out of such translation is adjusted to the Statement of profit and loss.

2.14 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.14.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

2.14.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.14.3 Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.14.4 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit–adjusted effective interest rate for purchased or originated credit–impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12–month expected credit losses. 12–month expected credit losses are portion of the life–time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12–month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward–looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.14.5 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.15 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.15.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.15.1.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

2.15.1.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held–for–trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.15.1.3 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.16 Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post–employment medical benefits.

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognized in the other comprehensive income is reflected immediately in the retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Short–term employee benefits

The undiscounted amount of short–term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

b) in case of non–accumulating compensated absences, when the absences occur.

Long–term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

4 a. Property, Plant and Equipment

Current Year 2021–22:

(Amounts in INR)

Description of Assets	Land*	Buildings	Plant & Machinery	Electronic Equipment	Furniture & Fixtures	Computers	Total
I. Gross Carrying Amount							
Balance as at 1 April, 2021	8,62,85,761	–	6,59,165	5,83,788	5,57,952	6,86,702	8,87,73,368
Additions	–	4,76,46,646	12,31,66,852	23,63,809	–	1,34,000	17,33,11,307
Disposals	–	–	–	–	–	–	–
Balance as at 31 March, 2022	**8,62,85,761**	**4,76,46,646**	**12,38,26,017**	**29,47,597**	**5,57,952**	**8,20,702**	**26,20,84,675**
II. Accumulated depreciation and impairment							
Balance as at 1 April, 2021	–	–	6,59,165	5,34,259	5,57,952	5,50,435	23,01,811
Depreciation expense for the year	–	7,52,338	29,30,656	22,255	–	62,026	37,67,275
Eliminated on disposal of assets	–		–	–	–	–	–
Balance as at 31 March, 2022	**–**	**7,52,338**	**35,89,821**	**5,56,514**	**5,57,952**	**6,12,461**	**60,69,086**
III. Net carrying amount (I–II)							
Balance as at 31 March, 2022	**8,62,85,761**	**4,68,94,308**	**12,02,36,196**	**23,91,083**	**–**	**2,08,241**	**25,60,15,589**

Previous Year 2020–21:

Description of Assets	Land*	Buildings	Plant & Machinery	Electronic Equipment	Furniture & Fixtures	Computers	Total
I. Gross Carrying Amount							
Balance as at 1 April, 2020	8,62,85,761	–	6,59,165	5,65,988	5,57,952	5,34,802	8,86,03,668
Additions	–		–	17,800	–	1,51,900	1,69,700
Disposals	–		–	–	–	–	–
Balance as at 31 March, 2021	**8,62,85,761**	**–**	**6,59,165**	**5,83,788**	**5,57,952**	**6,86,702**	**8,87,73,368**
II. Accumulated depreciation and impairment							
Balance as at 1 April, 2020	–	–	4,55,747	3,66,500	3,85,768	3,69,762	15,77,777
Depreciation expense for the year	–	–	2,03,418	1,67,759	1,72,184	1,80,673	7,24,034
Eliminated on disposal of assets	–	–	–	–	–	–	–
Balance as at 31 March, 2021	**–**	**–**	**6,59,165**	**5,34,259**	**5,57,952**	**5,50,435**	**23,01,811**
III. Net carrying amount (I–II)							
Balance as at 31 March, 2021	**8,62,85,761**	**–**	**–**	**49,529**	**–**	**1,36,267**	**8,64,71,556**

Refer notes on accounts for Company's policy on recognition and measurement of Property Plant , Equipment and Depreciation Methods used.
* These lands are held in the name of the Company and given under mortgage to HDFC Limited against the term loan facility. Refer note no. 13A (iii)

No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

4 b. Capital work in progress

Movement of Capital work in progress

(Amounts in INR)

Particulars	31 March, 2022	31 March, 2021
Opening Balance	**16,76,21,179**	15,11,32,553
Additions	**98,61,231**	1,64,88,627
Advances made to vendors towards capital assets procurement	–	–
Subtotal	**17,74,82,410**	16,76,21,179
Capitalised during the year	**(17,33,11,307)**	–
Closing Balance	**41,71,104**	**16,76,21,179**

4.2 Capital Work-in-Progress

(Amounts in INR)

Description of Assets	Origins–WTP, STP & Other Assets As at 31 March, 2022	As at 31 March, 2021
Capital Work–in–Progress	**41,71,104**	16,76,21,179
Origins–WTP, STP & Other Assets		
Less than 1 year*	**41,71,104**	1,64,88,627
1–2 years	–	11,32,27,473
2–3 years	–	3,34,32,661
More than 3 years	–	44,72,418
Total	**41,71,104**	16,76,21,179
Total	**41,71,104**	16,76,21,179

* Capital work in progress as at 31 March 2022 represents cost of borewells and connected works

There are no items under capital work in progress, whose completion is overdue or has exceeded its cost compared to its original plan as at 31 March 2022.

5. Other Financial assets

(Amounts in INR)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non Current		
Security Deposits	**4,82,352**	4,57,352
Current		
Interest accrued on Fixed Deposit	**3,97,808**	–
Security Deposits	–	–
Total Other Financial assets	**8,80,160**	4,57,352

6. Income Tax

(a) Income Tax recognised in profit or loss

(Amounts in INR)

Particulars	31 March, 2022	31 March, 2021
Current Tax:		
In respect of current year	–	–
Unrecognised tax loss used to reduce current tax expense	–	–

(Amounts in INR)

Particulars	31 March, 2022	31 March, 2021
Deferred Tax:	**(2,44,91,240)**	32,04,605
Total income tax expense on income from operations	**(2,44,91,240)**	32,04,605

(b) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

(Amounts in INR)

Particulars	31 March, 2022	31 March, 2021
Profit before tax	**(9,73,91,132)**	1,22,82,449
Applicable Income tax rate	**25.17%**	25.17%
Expected Income tax expense	**(2,45,11,400)**	30,91,247
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect in deferred tax asset due to changes in tax rates in current year	–	–
Effect of other permanent differences	**20,134**	43,918
Others	**26**	69,440
Reported income tax expense	**(2,44,91,240)**	32,04,605

(c) Movement in deferred tax balances

(Amounts in INR)

Particulars	For the Year ended 31 March, 2022 Opening Balance	Recognised in Profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax Liability				
Total Deferred Tax Liability	–	–	–	–
Tax effect of items constituting deferred tax assets				
On Expenses allowed on payment basis	**3,21,738**	**(1,23,170)**	–	**1,98,568**
Carry Forward of Losses	**1,03,23,483**	**2,67,07,598**	–	**3,70,31,081**
Property, Plant and Equipment	**4,10,098**	**(20,93,188)**	–	**(16,83,090)**
Total Deferred Tax Asset	**1,10,55,319**	**2,44,91,240**	–	**3,55,46,559**
Net Deferred Tax Asset	**1,10,55,319**	**2,44,91,240**	–	**3,55,46,559**

Particulars	For the Year ended 31 March, 2021 Opening Balance	Recognised in Profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax Liability				
Total Deferred Tax Liability	–	–	–	–
Tax effect of items constituting deferred tax assets				
On Expenses allowed on payment basis	**2,56,072**	**65,666**	–	**3,21,738**
Carry Forward of Losses	**1,36,88,458**	**(33,64,975)**	–	**1,03,23,483**
Property, Plant and Equipment	**3,15,394**	**94,704**	–	**4,10,098**
Total Deferred Tax Asset	**1,42,59,924**	**(32,04,605)**	–	**1,10,55,319**

As per IND AS –12 , Taxes on Income, Deferred tax assets shall be recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Management expects with reasonable probability to generate adequate taxable profits to set off the carry forward losses in the near future.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

7. Inventories

(Amounts in INR)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Work in progress		
(representing cost of land and development expenditure including borrowing costs)	**2,81,13,84,973**	2,70,95,15,128
Materials in stock	**45,13,659**	56,78,296
Total Inventories	**2,81,58,98,632**	2,71,51,93,424

7.1 Inventories are stated at the lower of cost and net realisable value. Based on detailed assessment and evaluation of impact of the COVID–19 pandemic, the management concluded that the realisable value of these inventories will not be lower than the carrying value as stated above.

7.2 These lands included under work in progress are given under mortgage to HDFC Limited against the term loan facility. Refer note no. 13A(iv).

7.3 The Cost of projects charged to Statement of Profit and Loss in respect of lands given on lease during the year is NIL (Previous Year: INR. 29,51,14,439).

8. Trade Receivables

(Amounts in INR)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Trade Receivables:		
Unsecured Considered Good	46,77,060	32,94,28,954
Less:Allowance for expected credit losses	–	–
Total Trade Receivables	**46,77,060**	32,94,28,954

8a Ageing for trade receivables from the due date of payment for each of the category is as follows:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Undisputed Trade Receivables – Considered good – unsecured		
Not Due		
0 moths – 6 months	29,96,445	32,94,28,954
6 months –1 year	16,80,615	–
1–2 Years		
2–3 years		
More than 3 years		
Trade Receivables – Credit impaired		
Not Due	–	–
0 moths – 6 months	–	–
6 months –1 year	–	–
1–2 Years	–	–
2–3 years	–	–
More than 3 years	–	–
Total	**46,77,060**	32,94,28,954

9. Cash and bank balances

(Amounts in INR)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Cash and cash equivalents		
Balances with banks:		
– On current account	**27,11,344**	1,71,47,610
– Deposits with original maturity of less than three months	**19,00,00,000**	–
Cash on hand	–	–
Total Cash and cash equivalents	**19,27,11,344**	1,71,47,610

10. Other current assets

(Amounts in INR)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Others		
Prepaid expenses	**19,91,364**	1,77,672
Balances with statutory / government authorities	**90,17,793**	–
Income tax balances	**29,85,527**	67,21,005
Other Receivables	–	7,84,455
Total Other current Assets	**1,39,94,684**	76,83,132

11. Share capital

(Amounts in INR)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Authorized shares		
17,00,00,000 Ordinary Equity Shares of INR10 each	**1,70,00,00,000**	1,70,00,00,000
	1,70,00,00,000	1,70,00,00,000
Issued, subscribed and fully paid–up shares		
17,00,00,000 Ordinary Equity Shares of INR10 each	**1,70,00,00,000**	1,70,00,00,000
Total issued, subscribed and fully paid–up share capital	**1,70,00,00,000**	1,70,00,00,000

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

(Amounts in INR)

Particulars	Opening Balance	Changes during the year	Closing Balance
Equity Shares			
Year Ended March 31, 2021			
No. of Shares	17,00,00,000	–	17,00,00,000
Amount	1,70,00,00,000	–	1,70,00,00,000
Year Ended March 31, 2022			
No. of Shares	**17,00,00,000**	–	**17,00,00,000**
Amount	**1,70,00,00,000**	–	**1,70,00,00,000**

(ii) Details of shareholdings by the Promoter's of the Company

Class of shares / Name of shareholder	As at 31 March, 2022 Number of shares held	% holding	As at 31 March, 2021 Number of shares held	% holding	% change during the period
Equity shares with voting rights					
Sumitomo Corporation	**6,80,00,000**	**40.00%**	6,80,00,000	40.00%	0.00%
Mahindra World City Developers Limited	**10,20,00,000**	**60.00%**	10,20,00,000	60.00%	0.00%

(a) Terms/ rights attached to equity shares

The Company has only one class of Equity Shares having a par value of INR 10/– per share. Each holder of Equity Shares is entitled to one vote per share.

The dividends if any proposed by the Board of Directors are subject to the approval of the shareholders at the Annual General Meeting.

Repayment of capital will be in proportion to the number of equity shares held.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(ii) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31 March, 2022 No.	As at 31 March, 2022 % holding in the class	As at 31 March, 2021 No.	As at 31 March, 2021 % holding in the class
Equity shares with voting rights				
Mahindra World City Developers Limited	**10,20,00,000**	**60%**	10,20,00,000	60%
Sumitomo Corporation, Japan	**6,80,00,000**	**40%**	6,80,00,000	40%
(The above Enterprises have joint control over the Company)				

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

12. Other Equity

(Amounts in INR)

Particulars	Reserves and Surplus: Securities Premium	Reserves and Surplus: Retained earnings	Total
As at 1 April, 2020	9,00,00,000	(5,84,01,503)	3,15,98,497
Profit for the year	–	90,77,844	90,77,844
Other Comprehensive Income	–	–	–
As at 31 March, 2021	9,00,00,000	(4,93,23,659)	4,06,76,341
(Loss) for the year	–	(7,28,99,892)	(7,28,99,892)
Other Comprehensive Income	–	–	–
As at 31 March, 2022	**9,00,00,000**	**(12,22,23,551)**	**(3,22,23,551)**

13A. Non current borrowings

Details of Long term Borrowings of the Company:

(Amounts in INR)

Description of the instrument	Currency of Loan	Effective Interest Rate used for Discounting Cashflows	Coupon Rate	Repayment Bullet (or) Instalment	Number of Instalments	Amortised cost as at 31 March, 2022	Amortised cost as at 31 March, 2021
A. Secured Borrowings:							
a) Term Loans							
From HDFC Limited	INR	8.54%	8% – 12%	Quarterly Instalment	16	**1,46,48,34,013**	1,29,35,67,083
Total Secured Borrowings						**1,46,48,34,013**	1,29,35,67,083
Less: Current maturities of the above – Refer Note 14A & Note 13A(ii)						**1,42,60,002**	–
Non current borrowing						**1,45,05,74,011**	1,29,35,67,083

Term Loan from HDFC Limited

(i) Term Loan carries an interest of HDFC CPLR – 825 points. Principal to be repaid in 16 equal quarterly instalments, commencing from June 2023, after a moratorium of 72 months. Current rate of interest is 8.95% payable annually at the end of every September.

(ii) In December 2021 the company availed a term loan under Emergency Credit Line Gurantee Scheme (ECLGS) from HDFC Limited of INR. 22.81 Crores at a prescribed percentage of the loan outstanding from HDFC as refered in (i) above. The loan is repayable at 48 monthly installments of INR 4,753,334 each from 13th month of the draw down, i.e. from January 2023. The loan carries an Interst rate of HDFC's CFPLR – 275 basis points and payable on a monthly basis.

(iii) In November 2019, HDFC Ltd has mandated opening of an Escrow account in which all lease proceeds shall be deposited, of which 30% shall be adjusted against the principal outstanding and accordingly 30% of lease premium since received has been used in repayment of principal.

(iv) The Term loan is secured by equitable Mortgage by deposit of title deeds of 229.115 acres of land at Origins, Gummidipoondi taluk. The charge on land gets released by the banker as when the company enters into a lease agreeement. The loan availed under ECLGS is secured by way of first charge created on assets acquried or created out of the scheme and second charge on the security offered for the existing term loan from HDFC.

(v) There are no defaults in case of payment of interest or principal repayments in respect of the above borrowings.

(vi) There have no charges or satisfaction pending to be registered with Register of Companies beyond the statutory period.

(vii) The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.

(viii) Term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained.

14 A. Other Financial liabilities

(Amounts in INR)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non Current		
Security advances from lessees	**1,222**	32,10,498
	1,222	32,10,498
Current		
Current maturities of long term borrowing – Refer Note 13	**1,42,60,002**	–
Capital Creditors*	**74,13,717**	2,45,76,312
Interest accrued but not due– Refer Note 13(i)	**5,46,58,995**	5,71,99,034
Accrued expenses	**11,61,43,961**	11,41,06,103
	19,24,76,675	19,58,81,449
Total Other Financial Liabilities	**19,24,77,897**	19,90,91,947

* Capital creditors include payables to vendors registered under MSMED Act INR 10,55,330/– (Previous year INR INR 23,45,262/–)

14 B. Other Liabilities

(Amounts in INR)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Unearned Income*	**30,88,556**	–
Other Deposits	**5,00,000**	–
Total Other Financial Liabilities	**35,88,556**	–

* Represents IND AS adjustment for secutity advances received from lessees.

15. Provisions

(Amounts in INR)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non Current		
Provision for Gratuity	**3,73,275**	5,98,695
Provision for Compensated Absences	**2,62,851**	5,72,788
Total Non Current Provisions	**6,36,126**	11,71,483
Current		
Provision for Gratuity	**84,083**	31,514
Provision for Compensated Absences	**68,763**	75,363
Total Current Provisions	**1,52,846**	1,06,877

16. Trade Payables

(Amounts in INR)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Trade payable – Micro and small enterprises	**25,27,432**	17,11,607
Trade payable – Other than micro and small enterprises	**45,13,199**	3,51,83,705
	70,40,631	3,68,95,312

16 b Ageing for trade payable from the due date of payment for each of the category is as follows:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Undisputed dues of micro enterprises and small enterprises		
Unbilled		
Not Due	25,26,660	17,10,607
0– 30 Days	772	
31 Days – 1 year	–	–
1–2 Years	–	–
2–3 years	–	–
More than 3 years	–	–
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled		
Not Due	45,11,431	3,49,19,604
0– 30 Days	–	–
30 Days – 1 year	–	2,54,824
1–2 Years	1,768	10,277
2–3 years	–	–
More than 3 years	–	–
Total	**70,40,631**	3,68,95,312

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

There are no overdue amounts payable to Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as at the balance sheet or any time during the year. Accordingly there is no interest paid or payable. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

17. Other Current Liabilities

(Amounts in INR)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Statutory dues payable	16,48,616	6,35,49,483
Total Other Current Liabilities	**16,48,616**	6,35,49,483

18A. Revenue from Operations

(Amounts in INR)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Land Lease Premium	–	40,77,97,500
Operations & Maintenance income	66,93,361	19,14,727
Total Revenue from Operations	**66,93,361**	40,97,12,227

18B. Other Income

(Amounts in INR)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Interest on income tax refund	5,01,572	–
Professional Fees	6,90,700	–
Total Other Income	**11,92,272**	–

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

19. Decrease/(Increase) in inventories of work–in–progress and materials in stock

(Amounts in INR)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Opening Stock		
Work-in-progress*	**2,70,95,15,128**	2,84,99,94,874
Materials in stock	**56,78,296**	61,19,724
Total Opening Stock	**2,71,51,93,424**	2,85,61,14,598
Closing Stock		
Work-in-progress*	**2,81,13,84,973**	2,70,95,15,128
Materials in stock	**45,13,659**	56,78,296
Total Closing Stock	**2,81,58,98,632**	2,71,51,93,424
Total Decrease/(Increase) in inventories of work-in-progress and materials in stock	**(10,07,05,208)**	14,09,21,174

* Work-in-progress includes cost of land, development expenditure and borrowing costs inventorised.

20. Operation and Maintenance Expenses

(Amounts in INR)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Repairs & Maintenance	**34,69,601**	1,06,400
Security	**45,68,475**	–
Electrical & Mechanical Maintenance	**9,77,801**	–
Housekeeping	**16,86,537**	–
Power & Fuel	**11,10,441**	1,42,764
Landscaping maintenance	**9,53,498**	1,12,000
Other Expenses	**19,70,815**	10,41,836
Total Operation and Maintenance Expenses	**1,47,37,168**	14,03,000

21. Employee Benefits Expense

(Amounts in INR)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Salaries & Wages	**3,26,81,303**	3,16,68,154
Contribution to provident and other funds	**4,58,152**	4,90,283
Staff welfare expenses	**4,85,160**	1,79,215
Total Employee Benefits Expense	**3,36,24,615**	3,23,37,652

22. Finance Costs

(Amounts in INR)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Interest on Term Loan	**11,41,64,742**	11,28,72,141
Interest on loan- others	–	81,91,574
Less: Interest cost-transferred to CWIP	–	(46,07,841)
Total*	**11,41,64,742**	11,64,55,874
* Of the above, interest cost added to Work in progress inventory	**7,86,87,400**	7,69,70,647
Interest earned out of temporary parking of borrowed funds and netted off against this expense:	**18,23,699**	4,94,726

Analysis of Interest Expenses by Category

(Amounts in INR)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Interest Expenses		
On Financial Liability at Amortised Cost	**11,41,64,742**	12,10,63,715

23. Other expenses

(Amounts in INR)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Rent*	**8,63,517**	7,68,000
Legal and professional fees	**64,43,079**	55,61,157
Payment to auditor (Refer details below)	**10,15,000**	9,00,600
Commission	–	1,83,94,412
Foreign Exchange Loss	**1,81,425**	18,019
Advertisement, Marketing & Business Development	**45,98,217**	26,14,792
Travelling & Conveyance	**15,35,217**	5,67,622
Directors Sitting fees	**1,00,000**	2,40,000
Printing & Stationery	**1,09,637**	2,48,767
Rates & Taxes incl. ROC filing fees	**88,536**	31,47,858
Repairs & Maintenance	**5,54,844**	12,14,008
Communication and network expenses	**13,26,793**	8,74,782
Donations	**80,000**	1,74,500
Bank Charges	**3,881**	11,811
Miscellaneous Expenses	**38,430**	5,986
Advances not recoverable and written off	**7,31,789**	–
Total Other expenses	**1,76,70,365**	3,47,42,314

* towards operating lease of premises occupied by the company, cancellable at the option of both the parties to the lease.

(Amounts in INR)

Payment to auditor (excluding taxes)	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Audit Fees	**8,00,000**	7,00,000
Limited Review	**2,00,000**	2,00,000
Out of Pocket Expenses	**15,000**	58,007
	10,15,000	9,58,007

24. Earnings per share (EPS)

(Amounts in INR)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
	Per Share	Per Share
Basic/Diluted Earnings per share		
From continuing operations (INR) per share	**(0.43)**	0.05
Total basic/diluted earnings per share	**(0.43)**	0.05

Basic/Diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic / diluted earnings per share are as follows:

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Profit for the year attributable to owners of the Company	**(7,28,99,892)**	90,77,844
Weighted average number of equity shares	**17,00,00,000**	17,00,00,000
Earnings per share from continuing operations - Basic/Diluted	**(0.43)**	0.05

25. Employee Benefits

a) Defined Contribution plans

The Company makes Provident fund contribution to defined contribution plans for the employees. Under the scheme, the company is required to contribute a specified percentage of the payroll cost to fund the benefits. The Company recognized INR 4,58,152 (Previous Year : INR 4,90,283) for Provident fund & Other funds contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

b) Defined Benefit Plans

The Company's obligation towards gratuity is defined benefit plan. The gratuity expense is included under 'Employee Benefit Expenses' in Note 21 Employee benefits expense. The details of actuarial valuation are given below:

(Amounts in INR)

		Gratuity (Un–Funded)	
		2021–22	2020–21
i.	**Net Asset/ (Liability) recognized in the balance sheet**		
	Present Value of Defined Benefit Obligation	**4,57,358**	6,30,209
	Fair Value of Plan assets	–	–
	Liability (Asset) recognised in the balance sheet	**4,57,358**	6,30,209
ii.	**Expense recognized in the Statement of Profit & Loss**		
	Past service cost	–	–
	Current Service cost	**1,78,886**	2,06,901
	Interest cost	**41,216**	34,502
	Expected return on plan assets	–	–
	Actuarial (gains)/Losses	**(3,92,953)**	(1,41,995)
	Total expenses	**(1,72,851)**	99,408
iii.	**Amounts recognized in other comprehensive income**	–	–
iv.	**Change in present value of Defined Benefit obligation**		
	Present Value of the obligation at the beginning of the year	**6,30,209**	5,30,801
	Past service cost	–	–
	Current Service cost	**1,78,886**	2,06,901
	Interest Cost	**41,216**	34,502
	Actuarial (Gains) /Losses	**(3,92,953)**	(1,41,995)
	Benefits Paid	–	–
	Present value of the obligation as at the end of the year	**4,57,358**	6,30,209
v.	**Principal actuarial assumptions**		
	Discount Rate	**6.20%**	6.54%
	Salary Growth Rate	**10.00%**	8.00%
	Attrition rate	**20.00%**	10.00%

vi Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotions, increments and other relevant factors such as supply and demand in the employment market.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

			Impact on defined benefit obligation	
	Year	Change in Assumption	Increase in assumption	Decrease in assumption
Discount Rate **	**2022**	**0.50%**	**4,46,175**	**4,69,102**
	2021	0.50%	6,02,035	6,60,476
Salary Growth Rate	**2022**	**0.50%**	**4,69,671**	**4,45,511**
	2021	0.50%	6,61,210	6,01,701

Maturity profile of defined benefit obligation:

	2021–22	2020–21
Year 1	**73,985**	26,211
Year 2	**65,042**	31,384
Year 3	**57,178**	42,138
Year 4	**58,846**	59,904
Year 5	**52,832**	60,969
Next 5 Years	**1,82,125**	2,80,066

c) Compensated Absences

The key assumptions used in the computation of provision for long term compensated absences as per the Actuarial Valuation are as given below:

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Discount rate	**6.20%**	6.54%
Salary Growth rate	**10.00%**	8.00%
Attrition rate	**20.00%**	10.00%

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

26. Related party disclosures

Names of related parties and related party relationship

Enterprises having joint control over the Company:	Mahindra World City Developers Limited Sumitomo Corporation, Japan
Key managerial persons:	
Chief Financial Officer	Chaitanya Cherukuri (upto 10th October,2021) Bharathy K has been given additional charge as CFO w.e.f. 19th January 2022 and she is on the rolls of the Mahindra World City Developers Limited.
Company Secretary	Mr. Aman Desai
Business Head	Mr.Vaibhav Mittal (upto 31 January,2022)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

(Amounts in INR)

Nature of transactions with Related Parties	For the year ended	Mahindra World City Developers Limited	Sumitomo Corporation, Japan	KMP
Professional services received by the Company	**31–Mar–22**	**44,49,166**	–	–
	31–Mar–21	39,24,000	–	–
Commission	**31–Mar–22**	–	–	–
	31–Mar–21	1,25,01,675	58,49,213	–
Professional services charged by the Company	**31–Mar–22**	**6,90,700**	–	–
	31–Mar–21	13,20,000	–	–
Others Services received	**31–Mar–22**	–	–	–
	31–Mar–21	43,39,198	–	–
Reimbursement of Expenses charged to	**31–Mar–22**	–	–	–
	31–Mar–21	38,64,107	–	–
Managerial remuneration				
– Business Head	**31–Mar–22**	–	–	**76,16,960**
	31–Mar–21	–	–	82,53,172
– Company Secretary	**31–Mar–22**	–	–	**8,41,213**
	31–Mar–21	–	–	7,66,364
– Chief Financial Officer	**31–Mar–22**	–	–	**15,24,429**
	31–Mar–21	–	–	21,66,026

The following table provides the balances with related parties as on the relevant date:

(Amounts in INR)

Nature of Balances with Related Parties	Balance as on	Mahindra World City Developers Limited	Sumitomo Corporation, Japan
Payable	**31–Mar–22**	**5,19,969**	–
	31–Mar–21	3,34,363	52,64,291

27. Fair Values

The following tables show the carrying amount and fair values of financial assets and financial liabilities by categories:

(Amounts in INR)

Particulars	Carrying Value 31–Mar–22	Carrying Value 31–Mar–21	Fair value as at 31–Mar–22	Fair value as at 31–Mar–21
Financial assets				
Cash and Cash Equivalents	**19,27,11,344**	1,71,47,610	**19,27,11,344**	1,71,47,610
Other Financial Assets	**8,80,160**	4,57,352	**8,80,160**	4,57,352
Trade Receivables	**46,77,060**	32,94,28,954	**46,77,060**	32,94,28,954
Total financial assets	**19,82,68,564**	34,70,33,916	**19,82,68,564**	34,70,33,916
Financial liabilities				
Borrowings	**1,45,05,74,011**	1,29,35,67,083	**1,45,05,74,011**	1,29,35,67,083
Short Term Loans	–	–	–	–
Trade Payables	**70,40,631**	3,68,95,312	**70,40,631**	3,68,95,312
Other Financial Liabilities	**19,24,77,897**	19,90,91,947	**19,24,77,897**	19,90,91,947
Total financial liabilities	**1,65,00,92,539**	1,52,95,54,342	**1,65,00,92,539**	1,52,95,54,342

The management assessed that the fair value of cash and cash equivalents, trade receivables, other financial assets and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the Company's interest–bearing borrowings are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

28. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Management's impact assessment on the COVID -19 pandemic and going concern considerations:

The company assessed its performance and future business projections in light of the pandemic worldwide and has reassessed the impact that it may further cause on the company's financial and operational performance. Though the company's business leads and prospects have not been affected, there have been delays in getting the deals concluded. The situation has improved from January 2022 and the turnaround time of lead conversion has been improving. The company expects to meet the project costs and settle the dues to vendors and bankers out of balances with banks carried forward at the year end and internal accruals estimated from lease of land in the immediate 12 months from the date of approval of these financial statements. Based on the above assessment, the management is of the view that the company will be able to continue as a 'Going Concern' while maximising the return to the stakeholders through optimisation of its debt and equity balance.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the significant effect on the amounts recognised in the financial statements:

Estimates

Estimation uncertainty relating to the global health pandemic on COVID-19

In assessing the recoverability of receivables and contract costs, the Company has considered internal and external information up to the date of approval of these financial statements including Government policies, commitments made during the Global Investors' Meet in Tamilnadu, credit reports and various economic forecasts. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The Company will continue to closely monitor any material changes to future economic conditions.

Taxes

Deferred tax assets are recognised for unused tax losses and other temporary differences leading to deferred tax assets to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Estimation of net realisable value for inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value of inventories under development is assessed with reference to the market prices at the reporting date less estimated costs to complete the development and less an estimate of the time value of money to the date of completion if material. The market prices bear reference to the recent selling prices. The costs to complete the development are estimated by management.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

29. Ratios

a) Current Ratio

Amount (In INR)

Particulars	**2021-22**	2020-21	Variance %
Current Assets (A)	**3,02,76,79,528**	3,06,94,53,120	
Current Liabilities (B)	**20,13,18,768**	29,64,33,121	
Ratio (A / B)	**15.04**	10.35	45%

Improvement in current ratio is mainly on account of

(i) Increase in deposits with original maturity of less than three months with banks due to temporary investments made from the proceeds received from ECLGS loan in the month of December 2021 by INR 19 crores.

(ii) Reduction in current liabilities during the CY i.e. statutory dues payables at the end of FY 2021-22 is lesser than FY 2020-21 by INR 6 crores

b) Debt Equity Ratio

Amount (In INR)

Particulars	**2021-22**	2020-21	Variance %
Total Debt including interest accrued (A)	**1,51,94,93,008**	1,29,35,67,083	
Equity (B)	**1,66,77,76,449**	1,74,06,76,341	
Debt Equity Ratio (A / B)	**0.91**	0.74	23%

c) Debt Service Coverage Ratio (DSCR)

Amount (In INR)

Particulars	**2021-22**	2020-21	Variance %
Profit After Tax	**(7,28,99,892)**	90,77,844	
Depreciation	**37,67,275**	7,24,034	
Interest (Charged to P&L)	**3,54,77,342**	3,94,85,227	
Non Cash Expense	**7,31,789**	–	
Earnings available for Debt Service (A)	**(3,29,23,486)**	4,92,87,105	
Debt Service			
Interest Payments	**11,52,53,356**	12,17,65,573	
Pricipal Repayments	**8,33,44,500**	5,99,94,750	
Total Debt Serviced (B)	**19,85,97,856**	18,17,60,323	
Debt Service Coverage Ratio (DSCR) (A / B)	**(0.17)**	0.27	(161%)

Reduction in Earning available for Debt Service and Debt service coverage ratio is mainly on account of loss reported during the year. The company has not recorded any revenue from land lease premium during the financial year as against INR 40.78 crores of revenue in the previous year.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

d) Return of Equity (ROE)

Amount (In INR)

Particulars	2021-22	2020-21	Variance %
Profit After Tax	**(7,28,99,892)**	90,77,844	
Networth	**1,70,42,26,395**	1,73,61,37,419	
Ratio (A / B)	**(4.28%)**	0.52%	(918.09%)

Reduction in ROE is mainly on account of loss reported during the year. The company has not recorded any revenue from land lease premium during the financial year as against INR 40.78 Crores of revenue in the year 2020-21

e) Inventory Turnover ratio

Amount (In INR)

Particulars	2021-22	2020-21	Variance %
Cost of Land leased (A)	–	26,99,35,822	
Average Inventory (B)	**2,76,55,46,028**	2,78,56,54,011	
Ratio (A / B)	–	0.10	(100%)

f) Trade Receivables turnover ratio

Amount (In INR)

Particulars	2021-22	2020-21	Variance %
Turnover (credit) (A)	**66,93,361**	40,97,12,227	
Trade Receaivables (Average) (B)	**16,70,53,007**	20,59,73,177	
Ratio (A / B)	**0.04**	1.99	(98%)

g) Trade Payable turnover ratio

Amount (In INR)

Particulars	2021-22	2020-21	Variance %
Project Development Expenses and other expenses (excluding interest) (A)	**93,62,556**	6,23,58,049	
Average Trade payable (B)	**2,19,67,972**	15,39,98,822	
Ratio (A / B)	**0.43**	0.40	5%

h) Net capital turnover ratio,

Amount (In INR)

Particulars	2021-22	2020-21	Variance %
Turnover (A)	**66,93,361**	40,97,12,227	
Working Capital (B)	**2,82,63,60,760**	2,77,30,19,999	
Ratio (A / B)	**422**	7	6139%

i) Net profit ratio

Amount (In INR)

Particulars	2021-22	2020-21	Variance %
Profit After Tax (A)	**(7,28,99,892)**	90,77,844	
Revenue (B)	**66,93,361**	40,97,12,227	
Ratio (A / B)	**(1089.14%)**	2.22%	(49256%)

j) Return on Capital employed

Amount (In INR)

Particulars	2021-22	2020-21	Variance %
Earnings before Interest and Tax (A)	**1,67,73,610**	12,87,38,323	
Net worth	**1,66,77,76,449**	1,74,06,76,341	
Borrowing	**1,46,48,34,013**	1,29,35,67,083	
Capital employed (B)	**3,13,26,10,462**	3,03,42,43,424	
Ratio (A / B)	**0.54%**	4.24%	(87%)

k) Return on investment.

Amount (In INR)

Particulars	2021-22	2020-21
Not applicable as the Company does not have any investments		

In respect of ratios (e), (f) and (h) to (k) the ratios in the current year are significantly impacted due to the following:

The company has not recorded any revenue from land lease premium during the current year as against INR 40.78 Crores of revenue in the year 2020-21.

30. Disclosure of Struck-Off Companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

31. Discrepancies between books of accounts & quarterly statements submitted to banks

The Company has availed term loan from HDFC towards project development activities which is secured by way of equitable mortgage by deposit of title deeds and accordingly no quarterly statements are to be submitted by the Company to HDFC

32. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objective when managing capital are to :

- Safeguard their ability to continue as a going concern, so that they can continue to provide return for shareholders and benefits for other stakeholders and
- Maintain an optimal capital structure to reduce the weighted cost of capital.

In order to maintain or adjust the capital structure , the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares, or sell non-core assets to reduce the debt.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Debt-to-equity ratio as of 31 March, 2022 and 31 March, 2021 is as follows:

(Amounts in INR)

	31-Mar-2022	31-Mar-2021
Debt (A)	**1,51,94,93,008**	1,29,35,67,083
Equity (B)	**1,66,77,76,449**	1,74,06,76,341
Debt Equity Ratio (A/B)	**0.91**	0.74

Categories of financial assets and financial liabilities

(Amounts in INR)

As at 31st March, 2022	Amortised Costs	FVTPL	FVOCI	Total
Non- Current Assets				
Other financial assets	**4,82,352**	–	–	**4,82,352**
Current Assets				
Trade Receivables	**46,77,060**	–	–	**46,77,060**
Cash and Cash equivalents	**19,27,11,344**	–	–	**19,27,11,344**
Other financial assets	**3,97,808**	–	–	**3,97,808**
	19,82,68,564	–	–	**19,82,68,564**
Non-current Liabilities				
Borrowings	**1,45,05,74,011**	–	–	**1,45,05,74,011**
Other financial liabilities	**1,222**	–	–	**1,222**
Current Liabilities				
Trade Payables	**70,40,631**	–	–	**70,40,631**
Other financial liabilities	**19,24,76,675**	–	–	**19,24,76,675**
	1,65,00,92,539	–	–	**1,65,00,92,539**

(Amounts in INR)

As at 31st March, 2021	Amortised Costs	FVTPL	FVOCI	Total
Non- Current Assets				
Other financial assets	4,57,352	–	–	4,57,352
Current Assets				
Trade Receivables	32,94,28,954	–	–	32,94,28,954
Cash and Cash equivalents	1,71,47,610	–	–	1,71,47,610
	34,70,33,916	–	–	34,70,33,916

(Amounts in INR)

As at 31st March, 2021	Amortised Costs	FVTPL	FVOCI	Total
Non-current Liabilities				
Borrowings	1,29,35,67,083	–	–	1,29,35,67,083
Other financial liabilities	32,10,498	–	–	32,10,498
Current Liabilities				
Trade Payables	3,68,95,312	–	–	3,68,95,312
Other financial liabilities	19,58,81,449	–	–	19,58,81,449
	1,52,95,54,342	–	–	1,52,95,54,342

33. Financial Risk Management Framework

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents that are directly derived out of equity.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk . In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

CREDIT RISK

Credit risk arises when a counterparty defaults on its contractual obligations to pay, resulting in financial loss to the Company.

Credit risk related to financial instruments

Credit risk from balances with banks and financial institutions is managed in accordance with the Company's policy. The Company has not created any Investments of surplus funds in any other instruments as of date and hence the company is not exposed to any credit risk in this respect.

LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Amounts in INR)

Particulars	Less than 1 Year	1–3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial liabilities				
31-Mar-22				
Trade and other payables	**70,40,631**	–	–	–
Variable interest rate instruments	**1,42,60,000**	**73,24,17,007**	**71,81,57,007**	
Total	**2,13,00,631**	**73,24,17,007**	**71,81,57,007**	–
31-Mar-21				
Trade and other payables	**3,68,95,312**	–	–	–
Variable interest rate instruments	–	**64,67,83,542**	**64,67,83,542**	–
Total	**3,68,95,312**	**64,67,83,542**	**64,67,83,542**	–

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency Risk

The Company undertakes transactions denominated in foreign currencies only for the purchases of the components which are required to be imported for carry out the construction activities; consequently, exposures to exchange rate fluctuations arise, but the same is very nominal in nature as compared to the size of the operations if the Company.

The Company manages its foreign currency risk by forward contracts that are expected to occur within a maximum 12 month from the entering of a contract.

The Company's exposure to foreign currency changes for all other currencies is not material.

Interest rate risk

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

As at 31st March, 2022 and 31st March, 2021 100% of borrowings are at Variable interest rate.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(Amounts in INR)

	Increase/ decrease in basis points	Effect on financial statements* (Increase)/ Decrease
31-Mar-22		
INR	**+50**	(73,24,170)
INR	**-50**	73,24,170
31-Mar-21		
INR	+50	(64,67,835)
INR	-50	64,67,835

* Since the finance cost of the company is being capitalised to qualifying assets, the impact as above will be on the carrying value of inventory in addition to profits for the year.

34. Capital & other Commitments

Estimated amount of contracts remaining to be executed towards construction of capital assets as at March 31, 2022 - NIL (As at March 31, 2021- INR 42,42,009).

35. Segment information

Based on the internal reporting provided to the Chief Operating Decision Maker (CODM), business of acquiring, development and maintenance of industrial parks is the only reportable segment of the Company. Accordingly, the amounts appearing in these financial statements relate to this operating segment. Further the company does not have any separate geographic segment other than India.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

36. Other Notes

i. The Company does not have any pending litigations which will impact its financial position as at March 31, 2022

ii. The Company did not have material foreseeable losses in respect of long-term contracts and the Company did not have any derivative contracts.

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

iv. The Company has not made any donations to Political parties during the year

v. As the Company does not meet any of the criteria prescribed under Section 135(1) of the Companies Act, 2013, the provisions relating to Corporate Social Responsibility (CSR) are currently not applicable to the Company.

vi. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year

vii. The Company has an no unhedged foreign exchange exposure as at March 31, 2022 and the same as at 31 March 2021 is as follows:

Particulars	**Currency**	**Amount in Foreign Currency**	Amount in INR.
Trade Payable- as at March 31, 2021	USD	72,541	52,64,291

37. Approval of financial statements

The financial statements were approved for issue by the Board of directors in their meeting held on April 20, 2022.

See accompanying notes which are an integral part of the financial statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

P Usha Parvathy
Partner

Place: Chennai
Date: 25 April, 2022

For and on behalf of the board of directors of
Mahindra Industrial Park Chennai Limited

ARVIND SUBRAMANIAN
Director
(DIN: 02551935)

PARVEEN PRAKASH MAHTANI
Director
(DIN: 05189797)

Bharathy K
Chief Financial Officer

Aman J Desai
Company Secretary

Place: Chennai
Date: 20 April, 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
MAHINDRA INDUSTRIAL PARK PRIVATE LIMITED.

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS Financial Statements of Mahindra Industrial Park Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss and total comprehensive loss, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs), as 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 audit opinion on the Financial Statements.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Financial Statements and our auditors' report thereon.

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

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

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

Responsibilities of management 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order;
2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
   e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
   f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements;
   g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
   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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company does not have any pending litigations which would impact its financial position;
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries except loan given to Mahindra Bloomdale Developers in earlier years Limited out of the loan borrowed from Mahindra Lifespace Developers limited in earlier years.

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

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company have not declared or paid any dividend during the financial year.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. : 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
UDIN: 22040852AHNULK5112

Mumbai, April 21, 2022

ANNEXURE "A" TO THE AUDITOR'S REPORT

[Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.]

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of **Mahindra Industrial Park Private Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements 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, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls system over financial reporting with reference to these financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. : 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
UDIN: 22040852AHNULK5112

Mumbai, April 21, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the financial statements of **Mahindra Industrial Park Private Limited** for the year ended March 31, 2022

Annexure to the Auditor's Report referred to in our report of even date:

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

(a) (B) The Company does not have any intangible assets. Hence, reporting under Clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) The Company has a regular programme of physical verification of its property, plant and equipment by which the property, plant and equipment are verified by the management according to a phased programme designed to cover all the items over a period of 2 years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. In accordance with the programme, the Company has physically verified certain property, plant and equipment during the year and no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable property under Property Plant and Equipment. Hence, reporting under Clause 3(i)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) during the year.

(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are at reasonable intervals and no material discrepancies were noticed on physical verification.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from HDFC bank on the basis of security of First ranking pari passu charge by way of mortgage on the Mortgaged property during the year. The Stock statements along with CA Certificate filed by the Company with HDFC bank on a quarterly basis are in agreement with the unaudited books of account as certified by the management.

iii. According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to loans granted, guarantees provided and investments made by the Company. The Company has not provided any security during the year to the parties covered under Sections 185 and 186 of the Act.

v. According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services tax, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at 31 March 2022, which have not been deposited with the appropriate authorities on account of any dispute.

viii. According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

ix. (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long- term purposes as at the Balance Sheet date.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.

(b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.

xii. According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures, specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the reporting under Clause 3(xiii) of the Order is not applicable to the Company.

xiv. (a) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Act.

(b) In our opinion and based on our examination, Section 138 of the Act, does not applicable to the Company and thus, Clause 3(xiv)(b) of the Order is not applicable to the Company,

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable to the Company.

Based on the information and explanations given to us and the audit procedures performed by us, we report that the Group has XXX Core Investment Companies.

xvii. In our opinion and according to the information and explanations given to us, the Company has incurred cash losses of Rs. 6.40 crores during the current financial year and Rs. 1.20 crores in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us, the Company is not required to adhere to Section 135 of the Companies Act, 2013. Accordingly, the reporting under Clause 3(xx) of the Order is not applicable to the Company.

xxi. According to the information and explanations given to us, the Company does not have any subsidiary companies. Accordingly, the reporting under Clause 3(xxi) of the Order is not applicable to the Company.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. : 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
UDIN: 22040852AHNULK5112

Mumbai, April 21, 2022

BALANCE SHEET AS AT 31ST MARCH, 2022

(Amount in Rs.)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	4	**929,022**	1,072,550
(b) Deferred Tax Assets (Net)	5	**26,363,925**	49,608,555
(c) Other Non Current Assets	6	**3,373,293**	7,996,414
(d) Investments	7	**117,800,000**	99,200,000
SUB-TOTAL		**148,466,240**	157,877,519
CURRENT ASSETS			
(a) Inventories	8	**2,078,624,253**	1,888,073,654
(b) Financial Assets			
(i) Cash and Cash Equivalents	9a	**2,340,206**	94,149
(ii) Bank balances other than (i) above	9b	**8,645,486**	8,845,486
(iii) Loans to Related Party	9c	**175,500,000**	175,500,000
(vi) Other Financial Assets	9d	**11,241,122**	7,986,905
(c) Other Current Assets	10	**28,572,671**	29,765,479
SUB-TOTAL		**2,304,923,738**	2,110,265,673
TOTAL ASSETS		**2,453,389,978**	2,268,143,192
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	11	**500,000**	500,000
(b) Other Equity	12	**(79,040,008)**	(148,145,914)
SUB-TOTAL		**(78,540,008)**	(147,645,914)
LIABILITIES			
NON CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	13	**1,702,925,848**	1,687,050,000
SUB-TOTAL		**1,702,925,848**	1,687,050,000
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	13	**267,699,683**	272,628,109
(ii) Trade Payables	14	**27,845,623**	54,358,124
(iii) Other Financial Liabilities	15	**531,675,129**	400,750,985
(b) Other Current Liabilities	16	**1,783,702**	1,001,888
SUB-TOTAL		**829,004,137**	728,739,105
TOTAL EQUITY AND LIABILITIES		**2,453,389,978**	2,268,143,192

See accompanying notes forming part of the financial statements

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No.105102W

Aniruddha Joshi
Partner
Membership No: 040852

Place : Mumbai
Date: 21st April 2022

For and on behalf of the Board of Directors of
Mahindra Industrial Park Private Limited

Arvind Subramanian
Director
DIN-02551935

Karkala Rajaram Pai
Director
DIN-07553119

Place : Mumbai
Date: 21st April 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(Amount in Rs.)

Particulars		Note No.	Year ended 31st March, 2022	Year ended 31st March, 2021
Continuining Operations				
I	Revenue from operations		**–**	–
II	Other Income	17	**157,042,547**	315,559
III	**Total Revenue (I + II)**		**157,042,547**	315,559
IV	**EXPENSES**			
	(a) Employee benefit expense	18	**6,312,905**	5,546,561
	(b) Depreciation and amortisation expense	4	**326,944**	285,512
	(c) Other expenses	19	**58,052,162**	61,980,585
	Total Expenses (IV)		**64,692,011**	67,812,658
V	**Gain/(Loss) before tax (III - IV)**		**92,350,536**	(67,497,099)
VI	**Tax Expense**			
	Deferred tax		**23,244,630**	(16,989,020)
	Total tax expense		**23,244,630**	(16,989,020)
VII	**Gain/(Loss) for the year**		**69,105,906**	(50,508,080)
IX	**Earnings per share**			
	(1) Basic/ Diluted Earnings per share (Rs.)	20	**1,382.12**	(1,010.16)

See accompanying notes forming part of the financial statements

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No.105102W

Aniruddha Joshi
Partner
Membership No: 040852

Place : Mumbai
Date: 21st April 2022

For and on behalf of the Board of Directors of
Mahindra Industrial Park Private Limited

Arvind Subramanian
Director
DIN-02551935

Karkala Rajaram Pai
Director
DIN-07553119

Place : Mumbai
Date: 21st April 2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(Amount in Rs.)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Cash flows from operating activities		
Loss before tax for the year	**92,350,536**	(67,497,099)
Adjustments for:		
Net (gain)/loss arising on financial assets mandatorily measured at market value through profit or loss	**(156,700,000)**	55,200,000
Depreciation and amortisation of non-current assets	**326,944**	285,512
	(64,022,520)	(12,011,587)
Movements in working capital:		
(Increase)/decrease in inventories	**(204,151,849)**	(265,192,942)
(Increase)/decrease in other assets	**1,192,808**	2,803,423
Increase/(decrease) in trade and other payables	**(26,512,501)**	29,497,230
Increase/(decrease) in provisions	**781,814**	65,844
(Increase)/decrease in other deposits	**4,623,121**	(3,200,959)
(Decrease)/increase in other liabilities	**130,924,144**	130,912,050
Cash generated from operations	**(157,164,982)**	(117,126,942)
Income taxes paid	**–**	–
Net cash generated by operating activities	**(157,164,982)**	(117,126,942)
Cash flows from investing activities		
Inter-corporate Deposit Given	**–**	–
Interest received on Inter-corporate Deposit	**10,347,033**	13,239,703
Payments for property, plant and equipment	**(183,416)**	(203,848)
Net movement in bank deposits	**200,000**	(583,786)
Net cash (used in)/generated by investing activities	**10,363,617**	12,452,069
Cash flows from financing activities		
Proceeds from short term borrowings	**–**	97,128,109
Repayment of short term borrowings	**(4,928,425)**	–
Loan from related parties-bank	**153,975,848**	0
Net cash used in financing activities	**149,047,422**	97,128,109
Net (decrease)/Increase in cash and cash equivalents	**2,246,057**	(7,546,765)
Cash and cash equivalents at the beginning of the year	**94,149**	7,640,913
Cash and cash equivalents at the end of the year	**2,340,206**	94,149

See accompanying notes forming part of the financial statements

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No.105102W

Aniruddha Joshi
Partner
Membership No: 040852

Place : Mumbai
Date: 21st April 2022

For and on behalf of the Board of Directors of
Mahindra Industrial Park Private Limited

Arvind Subramanian
Director
DIN-02551935

Karkala Rajaram Pai
Director
DIN-07553119

Place : Mumbai
Date: 21st April 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

(Amount in Rs.)

A. Equity share capital

As at 31st March, 2020	500,000
Changes in equity share capital during the year	–
As at 31st March, 2021	500,000
Changes in equity share capital during the year	–
As at 31st March, 2022	**500,000**

a. Equity share capital	**Equity share capital (no. of shares)**
Balance at April 1, 2020	50,000
Changes in equity share capital during the year	–
Closing Balance at March 31, 2020	**50,000**
Balance at April 1, 2021	50,000
Changes in equity share capital during the year	–
Balance at March 31, 2022	50,000

B. Other Equity	**Retained earnings (Amount in Rs.)**
Balance as 31 March, 2020 (A)	**(97,637,834)**
Profit/(Loss) for the year (B)	(50,508,080)
Balance as at 31 March, 2021 (C) = [(A)+(B)]	**(148,145,914)**
Profit/(Loss) for the period (D)	69,105,906
Balance as at 31st March, 2022 (E) = [(C)+(D)]	**(79,040,008)**

See accompanying notes forming part of the financial statements

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No.105102W

Aniruddha Joshi
Partner
Membership No: 040852

Place : Mumbai
Date: 21st April 2022

For and on behalf of the Board of Directors of
Mahindra Industrial Park Private Limited

Arvind Subramanian
Director
DIN-02551935

Karkala Rajaram Pai
Director
DIN-07553119

Place : Mumbai
Date: 21st April 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2022

1. Corporate information

Mahindra Industrial Park Private Limited ("the Company") is a public company incorporated in India on 29th March, 2013 under the provisions of erstwhile Companies Act, 1956. The registered office of the Company is located at 5th Floor, Mahindra Towers, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai – 400 018.

The Company is in the business of establishing, acquiring, developing and maintaining Industrial Parks, Technology Parks, Bio-tech Parks, Software Parks, Special Economic zones, Export Processing Zones, Industrial Areas, Industrial estates, Integrated Townships, Residential and/or Commercial Complexes, Housing Facility in India and outside India.

The Company is subsidiary of Mahindra Lifespace Developers Limited, Mumbai, a company incorporated in India. The ultimate parent company is Mahindra & Mahindra Limited.

2. Significant Accounting Policies

2.1 Statement of compliance and Basis of preparation and presentation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016. For all periods upto and including the financial year ended 31st March, 2020

All assets and liabilities are classified as current if it is expected to realise or settle within 12 months after the Balance Sheet date.

The financial statements are presented in Indian Rupees (Rs.) which is also the Company's functional currency.

The financial statements were approved by the Board of Directors and authorised for issue on 21st April, 2022

2.2 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use. The estimated useful lives, residual values, are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

When an asset is scrapped or otherwise disposed of, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the statement of profit and loss.

Depreciation on assets (other than impaired assets) is calculated on straight line method at the rate of 11.31% p.a. which is based on useful life of about 9 years determined on the basis of technical evaluation by the Management of the Company and is different from the useful life of 15 years indicated in part C of schedule II to the Companies Act, 2013.

2.3 Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement profit and loss.

2.4 Inventories

Inventories are stated at the lower of cost and net realisable value, whichever is lower. Cost is arrived at on first-in-first-out basis and includes overheads on absorption basis, where appropriate.

Financial assets and Liabilities

2.5 Financial instruments

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

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

2.6 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

2.6.1 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowances at an amount equal to lifetime expected credit losses.

2.6.2 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

2.7 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2022

2.7.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.7.1.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at Fair value through profit and loss.

2.7.1.2 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

2.8 Revenue recognition

Revenue on account of sale of services is recognised under the completed service contract method to the extent it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

Dividend income is recognised in the statement of profit and loss when the right to receive payment is established.

Interest Income is accounted for on time proportion basis.

2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.9.1 Current tax

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

2.9.2 Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

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

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

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

2.9.3 Current and deferred tax for the year

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

2.9.4 Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

2.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.11 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/ (loss) for the year is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2022

Note No. 4 - Property, Plant and Equipment

Description of Assets	Office Equipment	Furniture and Fixtures	Computer	Building - Office	Total
I. Gross Carrying Amount					
Balance as at 1st April, 2021	32,000	181,868	619,389	853,488	1,686,745
Additions during the year	–	–	238,112	–	238,112
Deductions/Adjustments during the year	–	–	(54,696)	–	(54,696)
Balance as at 31st Dec, 2021	**32,000**	**181,868**	**802,805**	**853,488**	**1,870,161**
II. Accumulated depreciation and impairment					
Balance as at 1st April, 2021	7,846	44,969	142,422	418,958	614,195
Depreciation expense for the year	3,040	17,277	162,580	162,163	345,060
Deductions/Adjustments during the year	–	–	(18,116)	–	(18,116)
Balance as at 31st March, 2022	**10,886**	**62,246**	**286,886**	**581,121**	**941,139**
III. Net carrying amount (I-II)	**21,114**	**119,622**	**515,919**	**272,367**	**929,022**

Description of Assets	Office Equipment	Furniture and Fixtures	Computer	Building - Office	Total
I. Gross Carrying Amount					
Balance as at 1st April, 2020	32,000	181,868	415,541	853,488	1,482,897
Additions	–	–	203,848	–	203,848
Balance as at 31st March, 2021	**32,000**	**181,868**	**619,389**	**853,488**	**1,686,745**
II. Accumulated depreciation and impairment					
Balance as at 1st April, 2020	4,806	27,691	39,391	256,795	328,683
Depreciation expense for the year	3,040	17,278	103,031	162,163	285,512
Balance as at 31st March, 2021	**7,846**	**44,969**	**142,422**	**418,958**	**614,195**
III. Net carrying amount (I-II)	24,154	136,899	476,967	434,530	1,072,550

Note No. 5 - Deferred Tax Assets

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance at the Beginning of the year	**49,608,555**	32,619,535
Profit/(Loss) for the year	**(23,244,630)**	16,989,020
Balance at the end of the year	**26,363,925**	49,608,555

Note No. 6 - Other Non Current Assets

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Security Deposits		
(i) Other Non Current Assets	**3,373,293**	7,996,414
Total	**3,373,293**	7,996,414

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2022

Note No. 7 - Investments

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) OCRD's to related party - KTL	**117,800,000**	99,200,000
Total other bank balances	**117,800,000**	99,200,000

Note No. 8 - Inventories

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Work in Progress (Representing cost of land and related expenditure)	**2,078,624,253**	1,888,073,654
Total Inventories (at lower of cost and net realisable value)	**2,078,624,253**	1,888,073,654

Note No. 9 - Cash and Bank Balances

(a) Cash and cash equivalents

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Balances with banks	**2,340,206**	94,149
Total Cash and cash equivalent	**2,340,206**	94,149

(b) Other bank balances

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) In deposit accounts	**8,645,486**	8,845,486
Total other bank balances	**8,645,486**	8,845,486

(c) Loans

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Inter-Corporate Deposit given		
(i) Loans to Related Party	**293,300,000**	274,700,000
Total other bank balances	**293,300,000**	274,700,000

(d) Other Financial Assets

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Accured Interest Income from ICD		
(i) Other Financial Assets	**11,241,122**	7,986,905
Total Cash and cash equivalent	**11,241,122**	7,986,905

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2022

Note No. 10 - Other assets

(Amount in Rs.)

Particulars		As at 31st March, 2022 Current	As at 31st March, 2021 Current
(a)	**Advances other than capital advances**		
(i)	Balances with government authorities (other than income taxes)	**23,310,909**	23,270,020
(ii)	Other advances	**–**	3,187,558
(iii)	Interest accrued but not due on term deposit accounts	**1,549,417**	966,221
(iv)	Advance Payment Of Income Tax	**3,712,345**	2,341,680
Total		**28,572,671**	29,765,479

Note No. 11 - Equity Share Capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	(Amount in Rs.)	No. of shares	(Amount in Rs.)
Authorised:				
Equity shares of Rs.10 each with voting rights	**100,000**	**1,000,000**	100,000	1,000,000
Issued, Subscribed and Fully Paid:				
Equity shares of Rs.10 each with voting rights	**50,000**	**500,000**	50,000	500,000
Issued, Subscribed and Partly Paid:				
Equity shares of Rs.10 each with voting rights	**50,000**	**500,000**	50,000	500,000
Total	**50,000**	**500,000**	50,000	500,000

Note No. 11a - Equity Share Capital (Contd.)

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

Particulars	Opening Balance	Closing Balance
(a) Equity Shares with Voting rights		
Year Ended 31st March 2020		
No. of Shares	50,000	50,000
Amount	500,000	500,000
Year Ended 31st March 2019		
No. of Shares	50,000	50,000
Amount	500,000	500,000
Year Ended 31st March 2018		
No. of Shares	50,000	50,000
Amount	500,000	500,000

(ii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: (details of fully paid and partly paid also needs to be given)

Particulars	No. of Shares Equity Shares with Voting rights
As at 31st March 2020	
Mahindra Lifespace Developers Ltd.	50,000
As at 31st March 2019	
Mahindra Lifespace Developers Ltd.	50,000
As at 31st March 2018	
Mahindra Lifespace Developers Ltd.	50,000

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/Name of shareholder	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mahindra Lifespace Developers Ltd.	**50,000**	**100.00%**	50,000	100.00%

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2022

Note No. 12 - Other equity

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance at the Beginning of the year	**(148,145,914)**	**(97,637,834)**
Profit/(Loss) for the year	69,105,906	(50,508,080)
Balance at the end of the year	**(79,040,008)**	**(148,145,914)**

Note No. 13 - Borrowings

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Secured Borrowings		
(a) Term Loan		
(i) From Financial Institution	**153,975,848**	–
Total Secured Borrowings	**153,975,848**	–
Non Current		
Unsecured (Carried at Fair value through P&L)		
(a) Optionally convertible debentures	**792,500,000**	930,600,000
Unsecured (Carried at Amortised cost)		
(a) Non convertible debentures	**756,450,000**	756,450,000
Total Non current borrowings	**1,548,950,000**	1,687,050,000
Current		
Unsecured (Carried at Amortised cost)		
(a) Loans from related parties	**175,500,000**	175,500,000
(b) Short term loan from bank	**92,199,683**	97,128,109
Total Current Borrowings	**267,699,683**	272,628,109

Note No. 14 - Trade Payables

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade payable - Micro and small enterprises*	–	–
Trade payable - Other than micro and small enterprises	**27,845,623**	54,358,124
Total	**27,845,623**	54,358,124

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

(i) No Companies have been identified under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure as required by Notification No. G.S.R. 719 (E), dated 16 November, 2007 issued by the Ministry of Corporate Affairs is not applicable.

14 a - Ageing for trade payable from the due date of payment for each of the category is as follows:

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Undisputed dues of micro enterprises and small enterprises		
0 months - 1 year		
1-2 Years		
2-3 years		
More than 3 years		
Undisputed dues of creditors other than micro enterprises and small enterprises		
0 months - 1 year	**22,521,734**	51,835,068
1-2 Years	**540,913**	(88,961)
2-3 years	**1,811,677**	1,511,122
More than 3 years	**2,971,299**	1,100,895
Total	**27,845,623**	54,358,124

Note No. 15 - Other Financial Liabilities

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
(a) Interest accrued	**531,675,129**	400,750,985
	531,675,129	400,750,985

Note No. 16 - Other Current Liabilities

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Statutory dues		
- taxes payable (other than income taxes)	**1,783,702**	1,001,888
	1,783,702	1,001,888

Note No. 17 - Other Income

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Other Income	**342,547**	315,559
(b) FVTPL Gain on OCRD	**233,160,000**	–
	233,502,547	315,559

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2022

Note No. 18 - Employee benefit expense

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Salaries and wages, including bonus	**6,128,212**	5,399,819
(b) Contribution to provident and other funds	**184,693**	146,743
Total	**6,312,905**	5,546,561

Note No. 19 - Other Expenses

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Business Promotion Expenses	**3,310,148**	3,238,110
(b) Payments to auditors (including tax):		
(i) For audit	**177,000**	177,000
(ii) For Other services	**118,000**	–
(c) Other expenses		
(i) Professional Fees	**51,711,454**	1,940,202
(ii) Assets Written off	**36,580**	–
(iii) Travelling & Conveyance	**632,145**	105,788
(iv) Miscellaneous expenses	**311,983**	714,638
(v) IT - Sharing Expenses & Others	**747,595**	604,849
(vi) Bank Charges	**6,912**	–
(vii) FVTPL Gain/Loss on OCRD	**76,460,000**	55,200,000
(viii) Rent Rates and Taxes	**1,000,345**	–
Total Other Expenses	**134,512,162**	61,980,585

* During the year, there were no foreign exchange inflows & outflows

Note No. 20 - Earnings per Share

Particulars	For the period ended 31st March, 2022 Per Share	For the year ended 31st March, 2021 Per Share
Basic Earnings per share		
From continuing operations	**1,382.12**	(1,010.16)
From discontinuing operations	**–**	–
Total basic earnings per share	**1,382.12**	(1,010.16)
Diluted Earnings per share		
From continuing operations	**1,382.12**	(1,010.16)
From discontinuing operations		
Total diluted earnings per share	**1,382.12**	(1,010.16)

Basic earnings per share

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

	For the period ended 31st March, 2022	For the year ended 31st March, 2021
Loss for the year attributable to owners of the Company	**69,105,906**	(50,508,080)
Loss for the year used in the calculation of basic earnings per share	**69,105,906**	(50,508,080)
Loss used in the calculation of basic earnings per share from continuing operations	**69,105,906**	(50,508,080)
Weighted average number of equity shares	**50,000**	50,000
Earnings per share from continuing operations - Basic	**1,382.12**	(1,010.16)

Note No. 21 - Related Party Transactions

Related party disclosures as required by Ind As 24 "Related Party Disclosures" are given below.

1	Mahindra & Mahindra Limited	Entities having joint control/ significant influence over Company
2	Mahindra Lifespace Developers Limited	
3	Mahindra Integrated Business Solutions Private Limited	Other related parties
4	Mahindra Bloomdale Developers Limited	

(Amount in Rs.)

Particulars	For the year ended	Mahindra & Mahindra Limited	Mahindra Lifespace Developers Limited	Mahindra Integrated Business Solutions Private Limited	Mahindra Bloomdale Developers Limited
<u>Nature of transactions with Related Parties</u>					
Interest on ICD payable	**31-Mar-22**	**–**	**13,513,500**	**–**	**–**
	31-Mar-21	–	14,700,890	–	–
Reimbursement received	**31-Mar-22**	**–**	**126,714**	**–**	**–**
	31-Mar-21	–	–	–	–
ESOP Expenses accounted	**31-Mar-22**	**–**	**139,047**	**–**	**–**
	31-Mar-21	–	50,192	–	–

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2022

(Amount in Rs.)

Particulars	For the year ended	Mahindra & Mahindra Limited	Mahindra Lifespace Developers Limited	Mahindra Integrated Business Solutions Private Limited	Mahindra Bloomdale Developers Limited
Professional charges	**31-Mar-22**	**–**	**–**	**98,176**	**–**
	31-Mar-21	–	–	83,000	–
Interest on ICD receivable	**31-Mar-22**	**–**	**–**	**–**	**13,601,250**
	31-Mar-21	–	–	–	14,788,641
Reimbursement of expenses accounted	**31-Mar-22**	**334,862**	**720,000**	**–**	**–**
	31-Mar-21	341,177	–	–	–

(Amount in Rs.)

Nature of Balances with Related Parties	Balances as on	Mahindra & Mahindra Limited	Mahindra Lifespace Developers Limited	Mahindra Integrated Business Solutions Private Limited	Mahindra Bloomdale Developers Limited
Payables	**31-Mar-22**	**–**	**214,695,976**	**12,420**	**–**
	31-Mar-21	174,869	202,182,892	27,071	–
Receivables	**31-Mar-22**	**–**	**–**	**–**	**186,741,122**
	31-Mar-21	–	169,878	–	183,486,905

Notes:

1. During the year, there were no amounts required to be written off or written back in respect of debts due from or to related parties.
2. Related parties have been identified by the Management.

Note No. 22 - Financial Instruments

Capital management

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

The company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

(Amount in Rs.)

	31-Mar-22	31-Mar-21
Equity	**(78,540,008)**	(147,645,914)
Less: Cash and cash equivalents	**2,340,206**	94,149
	(80,880,214)	(147,740,063)

Categories of financial assets and financial liabilities

	As at 31st March, 2022		
	Amortised Costs	FVTPL	Total
Current Assets			
Cash and Cash Equivalent	2,340,206	–	**2,340,206**
Other Bank Balances	8,645,486	–	**8,645,486**
Loans	175,500,000	–	**175,500,000**
Non-current Liabilities			
Borrowings	756,450,000	792,500,000	**1,548,950,000**
Current Liabilities			
Borrowings	267,699,683	–	**267,699,683**
Trade Payables	27,845,623	–	**27,845,623**

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2022

	As at 31st March, 2021		
	Amortised Costs	FVTPL	Total
Current Assets			
Cash and Cash Equivalent	94,149	–	94,149.00
Other Bank Balances	8,845,486	–	8,845,486.00
Loans	175,500,000	–	175,500,000.00
Non-current Liabilities			
Borrowings	756,450,000	930,600,000.00	1,687,050,000.00
Current Liabilities			
Borrowings	272,628,109	–	272,628,108.59
Trade Payables	54,358,124	–	54,358,123.67

Note No. 22a - Events after the reporting period

No material events have occurred after the Balance Sheet date and upto the approval of financial statements.

Note No. 22b - Previous Year Figures

The figures of previous years have been regrouped/reclassified wherever necessary to confirm to current year's grouping/classification.

Note No. 23 - Ratios

Amount (In INR)

a) Current Ratio	2021-22	2020-21	Variance %
Particulars			
Current Assets (A)	2,304,923,738	2,110,265,673	
Current Liabilities (B)	829,004,137	728,739,105	
Ratio (A / B)	**2.78**	**2.90**	**-4%**

b) Debt Equity Ratio	2021-22	2020-21	Variance %
Particulars			
Total Debt including interest accrued (A)	2,502,300,660	2,360,429,094	
Equity (B)	(78,540,008)	(147,645,914)	
Debt Equity Ratio (A / B)	**(31.86)**	**(15.99)**	**99%**

Reduction of equity is mainly on account of gain on fair valuation of OCRD

c) Return of Equity (ROE)	2021-22	2020-21	Variance %
Particulars			
Profit After Tax	92,350,536	(67,497,099)	
Networth	(78,540,008)	(147,645,914)	
Ratio (A / B)	**-117.58%**	**45.72%**	**-357.21%**

Reduction in ROE is mainly on account of gain on valuation of OCRD

d) Return on Capital employed	2021-22	2020-21	Variance %
Particulars			
Earnings before Interest and Tax (A)	92,350,536	(67,497,099)	
Net worth	(78,540,008)	(147,645,914)	
Borrowing	1,702,925,848	1,687,050,000	
Capital employed (B)	1,624,385,840	1,539,404,086	
Ratio (A / B)	**5.69%**	**-4.38%**	**-230%**

Reduction in Capital Employed is mainly on account of gain on Fair valuation of OCRD

e) Return on investment.	2021-22	2020-21
Not applicable as the Company does not have any investments		

Note No. 24 - Employee Benefits

a) Defined Contribution plans

The Company makes Provident fund contribution to defined contribution plans for the employees. Under the scheme, the company is required to contribute a specified percentage of the payroll cost to fund the benefits. The Company recognized INR 4,58,152 (Previous Year : INR 4,90,283) for Provident fund & Other funds contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

b) Defined Benefit Plans

The Company's obligation towards gratuity is defined benefit plan. The gratuity expense is included under 'Employee Benefit Expenses' in Note 21 Employee benefits expense. The details of actuarial valuation are given below:

(Amounts in INR)

	Gratuity (Un-Funded)	
	2021-22	2020-21
i. Net Asset/ (Liability) recognized in the balance sheet		
Present Value of Defined Benefit Obligation	891,952	810,253
Fair Value of Plan assets	–	–
Liability (Asset) recognised in the balance sheet	**891,952**	**810,253**
ii. Expense recognized in the Statement of Profit & Loss		
Past service cost	–	–
Current Service cost	153,071	129,049
Interest cost	50,572	42,092
Expected return on plan assets	–	–
Actuarial (gains) / Losses	(121,944)	(23,908)
Total expenses	**81,699**	**147,233**

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2022

(Amounts in INR)

	Gratuity (Un-Funded)	
	2021-22	2020-21
iii. Amounts recognized in other comprehensive income	–	–
iv. Change in present value of Defined Benefit obligation		
Present Value of the obligation at the beginning of the year	810,253	663,020
Past service cost	–	–
Current Service cost	153,071	129,049
Interest Cost	50,572	42,092
Actuarial (Gains) /Losses	(121,944)	(23,908)
Benefits Paid	–	–
Present value of the obligation as at the end of the year	**891,952**	**810,253**
v. Principal actuarial assumptions		
Discount Rate	6.83%	6.46%
Salary Growth Rate	10.00%	10.00%
Attrition rate	7.81%	8.08%

vi. Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotions, increments and other relevant factors such as supply and demand in the employment market.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(Amounts in INR)

			Impact on defined benefit obligation	
	Year	Change in Assumption	Increase in assumption	Decrease in assumption
Discount Rate	2022	1.00%	820,177	974,062
	2021	1.00%	740,572	890,780
Salary Growth Rate	2022	1.00%	947,411	830,801
	2021	1.00%	865,784	745,847

Maturity profile of defined benefit obligation:

(Amounts in INR)

	2021-22	2020-21
Year 1	64,521	54,804
Year 2	63,866	54,242
Year 3	73,975	57,261
Year 4	73,219	63,639
Year 5	73,304	64,161
Next 5 Years	355,639	311,234

c) Compensated Absences

The key assumptions used in the computation of provision for long term compensated absences as per the Actuarial Valuation are as given below:

(Amounts in INR)

Particulars	For the period ended 31st March, 2022	For the period ended 31st March, 2021
Discount rate	6.83%	6.46%
Salary Growth rate	10.00%	10.00%
Attrition rate	7.81%	8.08%

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

For and on behalf of Board of the Directors
Mahindra Industrial Park Private Limited

Arvind Subramanian	**Karkala Rajaram Pai**
Director	Director
DIN-02551935	DIN-07553119

Place : Mumbai
Date: 21st April 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
MAHINDRA INFRASTRUCTURE DEVELOPERS LIMITED

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of **M/s. Mahindra Infrastructure Developers Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2022 and the Statement of Profit and Loss and statement of cash flows for the year then ended, the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('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, 2022 and its Profit and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing (SAs) specified under Section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in 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 of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the financial statements

The Company's Board of Directors are 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 and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "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 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company does not have any pending litigations which would impact its financial statements;
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **M/s. R. Jaitlia & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No. : 049818
Place: Mumbai
Date: 19th April, 2022
UDIN : 22049818AIXIWI9177

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

i. In respect of its Property, Plant and Equipment:

As per information provided by the Company to us, it does not have any fixed asset as on 31st March, 2022. Accordingly, paragraph 3 (i) of the Order is not applicable to the Company.

ii. In respect of its inventories:

The Company does not have inventory. Accordingly, clause 3 (ii) (a) of the Order is not applicable.

As per information and explanation provided by the Company to us, the Company does not have any sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, paragraph 3 (ii) (b) of the Order is not applicable to the Company.

iii. Loans given by Company:

According the information and explanations given to us, during the year the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to firms, Limited Liability Partnerships or any other parties.

According the information and explanations given to us, during the year the Company has granted loans or advances in the nature of loans, secured or unsecured, to companies.

	Loans
Aggregate amount granted/ provided during the year	
Joint Ventures	2,50,000
Balance outstanding as at balance sheet date in respect of above cases	
Joint Ventures	2,50,000

The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company’s interest.
The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

As per information and explanation provided by the Company to us, there is no overdue amount remaining outstanding as at the year-end.

As per information and explanation provided by the Company to us, No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

As per information and explanation provided by the Company to us, the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	0	0	16,29,50,000
- Agreement does not specify any terms or period of repayment (B)	0	0	0
Total (A+B)	0	0	16,29,50,000
Percentage of loans/ advances in nature of loans to the total loans	0	0	100%

iv. Loan to Directors and investment by the Company:

According to the Information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 inrespect of grant of loans, Investments made, guarantees given and security as applicable.

v. Deposits:

The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. Cost Records:

The maintenance of cost records as specified under subsection (1) of the section 148 of the Act are not applicable to the Company and hence relevant provisions of the Order is not applicable.

vii. Statutory Dues:

According to information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including income tax, Goods and Service Tax (GST), and other material statutory dues, as applicable, with the appropriate authorities and there are no outstanding as on the last day of the financial year concerned for a period of more than six months. The Company has no obligation under Provident Fund and Employee State Insurance Rules. Payment of Sales Tax, Wealth Tax, Customs and Excise duties and Value Added Tax is not applicable to the Company during the Audit period.

There are no dues of income tax, sales tax, wealth tax, service tax, GST outstanding for more than 6 months at the end of Audit period.

viii. Previously unrecorded income

As per information and explanation provided by the Company to us, there are no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the Audit period in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence relevant provision of the Order is not applicable.

ix. Repayment of Loans:

According to the records of the company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of any loans since it has not availed of any loans from any bank nor has borrowed from any financial institution. The Company has also not issued any debentures as at the balance sheet date.

x. Utilisation of IPO & further public offer:

The Company has not raised any money by way of initial public offer or further public offer and no term loan was raised by the Company.

xi. Reporting of Fraud:

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

xii. Nidhi Company:

The Company is not a Nidhi Company and so relevant clause is not applicable.

xiii. Related Party Transaction:

During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us all transactions with related parties have been disclosed in the financial statements.

xiv. Internal Audit system:

The Company is the private limited company and does not have turnover of two hundred crore rupees or more during the preceding financial year; or outstanding loans or borrowings from banks or public financial institutions exceeding one hundred crore rupees or more at any point of time during the preceding financial year. Hence Section 138 is not applicable and so relevant clause is not applicable.

xv. Non – cash Transactions:

The Company has not entered into any non-cash transactions with directors or persons connected with any director of the Company.

xvi. Register under RBI Act 1934:

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

xvii. Cash losses:

The Company does not incurred cash losses in the Audit Period and in the immediately preceding financial year (FY 2020-21) and hence relevant provisions of the Order is not applicable.

xviii. Resignation of statutory auditors:

During the year no statutory auditors' has been resigned, hence relevant clause is not applicable.

xix. Material uncertainty on meeting liabilities:

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.s

xx. Transfer to fund specified under Schedule VII of Companies Act, 2013:

There were no amounts which were required to be transferred to fund specified under Schedule VII of Companies Act, 2013.

The company does not have net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year. Hence Section 135 is not applicable and so relevant clause is not applicable.

xxi. Qualifications or adverse auditor remarks in other group companies:

Clause (xxi) of the Order is not applicable to the Company since report is of Standalone Financial Statement.

For **M/s. R. Jaitlia & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No. : 049818
Place: Mumbai
Date: 19th April, 2022
UDIN : 22049818AIXIWI9177

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MAHINDRA INFRASTRUCTURE DEVELOPERS LIMITED

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

We have audited the internal financial controls over financial reporting of **Mahindra Infrastructure Developers Limited** (“the Company”) as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M/s. R. Jaitlia & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No. : 049818
Place: Mumbai
Date: 19th April, 2022
UDIN : 22049818AIXIWI9177

BALANCE SHEET AS AT 31ST MARCH, 2022

(` in lakh)

		Note No.	As at 31st March, 2022	As at 31st March, 2021
I	**ASSETS**			
	Non-current assets			
	(a) Financial assets			
	(i) Investments	4	**7.79**	10.29
	(ii) Loans	5	**1,629.50**	1,691.00
	(b) Other non-current assets	6	**286.77**	233.25
	Total Non-current assets (I)		**1,924.06**	1,934.54
	Current assets			
	(a) Financial assets			
	(i) Trade receivables	7	**–**	2.00
	(ii) Cash and cash equivalents	8(a)	**0.21**	0.41
	(iii) Bank balances other than (ii) above	8(b)	**23.42**	45.37
	(iv) Others	9	**193.27**	78.58
	(b) Other current assets	6	**0.39**	3.72
	Total current assets (II)		**217.29**	130.09
	Total assets [(I)+(II)]		**2,141.35**	2,064.63
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	10	**1,800.00**	1,800.00
	(b) Other equity	11	**293.91**	196.50
	Total equity (III)		**2,093.91**	1,996.50
	Liabilities			
	Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables	12		
	– total outstanding dues of micro enterprises and small enterprises		**–**	–
	– total outstanding dues of trade payables other than micro enterprises and small enterprises		**1.18**	20.68
	(b) Other current liabilities	13	**46.26**	47.44
	Total current liabilities (IV)		**47.44**	68.13
	Total equity and liabilities [(III)+(IV)]		**2,141.35**	2,064.63

See accompanying notes forming part of the financial statements

In terms of our report attached

For **R Jaitlia & Co.**
Chartered Accountants

Mukesh Maheshwari
Partner
Membership No: 049818

Place: Mumbai
Date: 19th April 2022

Manoj Gupta
Chief Financial Officer

For and on behalf of the Board of Directors

Sumit Kasat
Chief Executive Officer

Viral Oza
Director (DIN: 03552722)

Geeta Dhokare
Company Secretary
ACS : 51135

Parveen Mahtani
Director (DIN: 05189797)

Place: Mumbai
Date: 19th April 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(` in lakh)

	Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
I	Revenue from operations		–	–
II	Other income	14	**1,045.58**	2,764.20
III	**Total income (I+II)**		**1,045.58**	2,764.20
IV	**Expenses**			
	(a) Employee benefit expense	15	**1.01**	1.14
	(b) Other expenses	16	**11.37**	0.87
	Total Expenses (IV)		**12.38**	2.01
V	**Profit/(Loss) before tax (III-IV)**		**1,033.20**	2,762.19
VI	**Tax Expense**			
	(1) Current tax	17	**35.79**	47.37
	(2) Deferred tax		–	–
	Total tax expense		**35.79**	47.37
VII	**Profit/(Loss) for the year (V-VI)**		**997.41**	2,714.82
	Other comprehensive income		–	–
	(1) Items that will not be reclassified to profit or loss		–	–
	(2) Items that may be reclassified to profit or loss		–	–
VIII	**Total other comprehensive income (1)+(2)**		–	–
IX	**Total comprehensive income for the year (VII+VIII)**		**997.41**	2,714.82
X	**Earnings per equity share**			
	Basic/Diluted	19	**5.54**	15.08

See accompanying notes forming part of the financial statements

In terms of our report attached

For **R Jaitlia & Co.**
Chartered Accountants

Mukesh Maheshwari
Partner
Membership No: 049818

Place: Mumbai
Date: 19th April 2022

Manoj Gupta
Chief Financial Officer

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Geeta Dhokare
Company Secretary
ACS : 51135

Parveen Mahtani
Director (DIN: 05189797)

Place: Mumbai
Date: 19th April 2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(` in lakh)

Particulars	For The Year Ended 31st March, 2022	For The Year Ended 31st March, 2021
A Cash flow from operating activities		
Profit/(Loss) for the year	**1,033.20**	2,762.19
Adjustments for:		
Income tax expense recognised in the statement of profit and loss	**(35.79)**	(47.37)
Interest Income	**(134.06)**	(190.23)
Dividend Income	**(890.99)**	(2,573.97)
	(27.64)	(49.38)
Changes in working capital		
Decrease in trade receivables	**(2.00)**	–
Increase in other financial assets	**(111.35)**	(37.09)
Decrease in other current assets	**(53.52)**	(178.13)
Increase in trade payables	**(19.50)**	(0.56)
Increase/(decrease) in other current liabilities	**0.32**	18.12
Net cash generated by/(used in) operating activities	**(213.70)**	(247.05)
B Cash flows from investing activities		
Impairment of Investment during the year	**2.50**	–
Interest received	**134.06**	190.23
Dividends received from Subsidiary	**890.99**	2,573.97
Bank balances not considered as cash and cash equivalents		
– Placed	**–**	3.78
– Matured	**21.95**	–
Net cash generated by investing activities	**1,049.50**	2,767.98
C Cash flows from financing activities		
Dividends paid to owners of the Company	**(900.00)**	(2,761.20)
Inter Corporate Deposit given	**(2.50)**	–
Inter Corporate Deposit received back	**64.00**	219.00
Net cash used in financing activities		
Net cash generated by financing activities	**(836.00)**	(2,542.20)
Net increase in cash and cash equivalents	**(0.21)**	(21.27)
Cash and cash equivalents at the beginning of the year	**0.41**	21.68
Cash and cash equivalents at the end of the year	**0.21**	0.41

See accompanying notes forming part of the financial statements

In terms of our report attached

For **R Jaitlia & Co.**
Chartered Accountants

Mukesh Maheshwari
Partner
Membership No: 049818

Place: Mumbai
Date: 19th April 2022

Manoj Gupta
Chief Financial Officer

For and on behalf of the Board of Directors

Sumit Kasat
Chief Executive Officer

Viral Oza
Director (DIN: 03552722)

Geeta Dhokare
Company Secretary
ACS : 51135

Parveen Mahtani
Director (DIN: 05189797)

Place: Mumbai
Date: 19th April 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

A. Equity share capital

	(` in lakh)
Balance as at 31st March, 2021	**1,800.00**
Changes in equity share capital during the period	–
Balance as at 31st March, 2022	**1,800.00**

B. Other Equity

	Retained earnings (` in lakh)
Balance as at 31st March, 2020	**242.88**
Profit/(Loss) for the year	2,714.82
Other comprehensive income	–
Total comprehensive income	2,714.82
Dividend paid	2,761.20
Balance as at 31st March, 2021	**196.50**
Profit/(Loss) for the year	997.41
Other comprehensive income	**–**
Total comprehensive income	997.41
Dividend paid	900.00
Balance as at 31st March, 2022	**293.91**

See accompanying notes forming part of the financial statements

In terms of our report attached

For **R Jaitlia & Co.**
Chartered Accountants

Mukesh Maheshwari
Partner
Membership No: 049818

Place: Mumbai
Date: 19th April 2022

Manoj Gupta
Chief Financial Officer

For and on behalf of the Board of Directors

Sumit Kasat
Chief Executive Officer

Viral Oza
Director (DIN: 03552722)

Geeta Dhokare
Company Secretary
ACS : 51135

Parveen Mahtani
Director (DIN: 05189797)

Place: Mumbai
Date: 19th April 2022

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Corporate information

Mahindra Infrastructure Developers Limited ("the Company") is a Public company incorporated in India on 10 May, 2001under the provisions of erstwhile Companies Act, 1956. The registered office of the Company is located at 5th Floor, Mahindra Towers, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai - 400 018.

The Company is in the business of development of infrastructure projects and infrastructure related services.

The Company is subsidiary of Mahindra Lifespace Developers Limited, Mumbai, a company incorporated in India. The ultimate parent company is Mahindra & Mahindra Limited. `

2. Significant Accounting Policies

2.1 Statement of compliance and Basis of preparation and presentation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies {Indian Accounting Standards) Rules, 2016.

All assets and liabilities are classified as current if it is expected to realise or settle within 12 months after the Balance Sheet date.

The financial statements are presented in Indian Rupees (Rs.) which is also the Company's functional currency.

The financial statements were approved by the Board of Directors and authorised for issue on 19th April, 2022.

2.2 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use. The estimated useful lives, residual values, are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the statement of profit and loss.

Depreciation on assets (other than impaired assets) is calculated on straight line method at the rate of 11.31% p.a. which is based on useful life of about 9 years determined on the basis of technical evaluation by the Management of the Company and is different from the useful life of 15 years indicated in part C of schedule II to the Companies Act, 2013.

2.3 Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement profit and loss.

2.4 Inventories

Inventories are stated at the lower of cost and net realisable value, whichever is lower. Cost is arrived at on first-in-first-out basis and includes overheads on absorption basis, where appropriate.

Financial assets and Liabilities

2.5 Financial instruments

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

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

2.6 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.6.1 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowances at an amount equal to lifetime expected credit losses.

2.6.2 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2.7 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.7.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.7.1.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at Fair value through profit and loss.

2.7.1.2 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial llability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the statement of profit and loss.

2.8 Revenue recognition

Revenue on account of sale of services is recognised under the completed service contract method to the extent it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

Dividend income is recognised in the statement of profit and loss when the right to receive payment is established.

Interest Income is accounted for on time proportion basis.

2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.9.1 Current tax

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

2.9.2 Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

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

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

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

2.9.3 Current and deferred tax for the year

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

2.9.4 Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

2.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.11 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) for the year is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 4 – Investments

Particulars	Face Value `	As at 31st March, 2022 Nos.	As at 31st March, 2022 (` in lakh)	As at 31st March, 2021 Nos.	As at 31st March, 2021 (` in lakh)
A. Investments carried at cost or deemed cost					
I. Unquoted Investments (all fully paid) Investments in Equity Instruments					
– of subsidiaries					
Mahindra Water Utilities Private Limited	10	**98,999**	**7.79**	98,999	7.79
(subsidiary with effect from 27 July, 2015, prior to that it was a joint venture)					
– of joint ventures					
Mahindra Inframan Water Utilities Private Limited	10	**24,999**	**2.50**	24,999	2.50
– of associate					
Ratna Bhoomi Enterprise Private Limited	10	**500**	–	500	–
Investments in Preference shares					
– of associate					
10% Non-cumulative redeemable participating optionally convertible preference shares in Ratna Bhoomi Enterprise Private Limited (Refer Notes below)	10	**1,19,250**	–	1,19,250	–
Total (A)			**10.29**		10.29
B. Investment carried at fair value through other comprehensive income					
Unquoted Investments (all fully paid)					
Investments in Equity Instruments					
New Tirupur Area Development Corporation Limited	10	**1,50,00,000**	–	1,50,00,000	–
Total (B)			–		–
Total Impairment value for investment carried at cost			**(2.50)**		
Total Investments (A)+(B)			**7.79**		10.29

Note No. 5 - Loans

(` in lakh)

Particulars	As at 31st March 2022 Non- Current	As at 31st March 2021 Non- Current
a) Loans to related parties		
– Secured, considered good	**–**	–
– Unsecured, considered good	**1,629.50**	1,691.00
– Doubtful	**–**	–
Less: Allowance for Credit Losses	**–**	–
Total	**1,629.50**	1,691.00

Note No. 6 - Other assets

(` in lakh)

Particulars	As at 31st March 2022 Non-current	As at 31st March 2022 Current	As at 31st March 2021 Non-current	As at 31st March 2021 Current
(a) Prepaid Expenses	–	–	–	0.06
(b) Income tax assets (net)	**286.77**	–	232.00	–
(c) Balances with government authorities (other than income taxes)				
Service tax credit receivables	–	**0.62**	–	0.62
(d) Security deposit				
Unsecured, considered good	**1.25**	–	1.25	–
(e) Other receivables	–	**4.09**	–	3.05
Less: Balance write off	**1.25**	**4.32**	–	–
Total other assets	**286.77**	**0.39**	233.25	3.72

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 7 - Trade receivables

(` in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
	Current	Current
Trade receivable outstanding for a period exceeding six months from the date they are due for payment		
– Unsecured, considered good	**2.00**	2.00
Less: Balance write off	**2.00**	–
Total trade receivables	–	2.00

Note No. 8

(a) Cash and cash equivalents

(` in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Balance with bank	**0.21**	0.41
Total cash and cash equivalents	**0.21**	0.41

(b) Other bank balances

(` in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) In deposit accounts	**23.42**	45.37
Total other bank balances	**23.42**	45.37

Note No. 9 - Other financial assets

(` in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Financial assets at amortised cost		
Interest accrued but not due on deposits	–	0.01
Interest accrued but not due on ICD	**193.27**	78.56
Total other financial assets	**193.27**	78.58

Note No. 10 - Equity share capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	(` in lakh)	Number of shares	(` in lakh)
(a) Authorised				
Equity shares of ` 10 each with voting rights	**2,00,00,000**	**2,000.00**	2,00,00,000	2,000.00
	2,00,00,000	**2,000.00**	2,00,00,000	2,000.00
(b) Issued, subscribed and fully paid-up shares				
Equity shares of ` 10 each	**1,80,00,000**	**1,800.00**	1,80,00,000	1,800.00
	1,80,00,000	**1,800.00**	1,80,00,000	1,800.00

Notes (i) to (iv) below

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	(` in lakh)	Number of shares	(` in lakh)
Opening balance	**1,80,00,000**	**1,800.00**	1,80,00,000	1,800.00
Add: Issued during the year	–	–	–	–
Closing balance	**1,80,00,000**	**1,800.00**	1,80,00,000	1,800.00

The company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.

(ii) Terms/rights attached to equity shares:

The Company is having only one class of equity shares having par value of Rs. 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 the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the amount paid up on equity shares held by the shareholders.

(iii) Details of shares held by the holding company:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Mahindra Lifespace Developers Limited, the holding company, including 6 shares jointly held with its nominees	**1,80,00,000**	1,80,00,000

(iv) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	% holding	Number of shares	% holding
Mahindra Lifespace Developers Limited the holding company, including 6 shares jointly held with its nominees	**1,80,00,000**	**100%**	1,80,00,000	100%

(iv) Details of shareholdings by the Promoter's of the Company:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	% holding	Number of shares	% holding
Mahindra Lifespace Developers Limited the holding company, including 6 shares jointly held with its nominees	**1,80,00,000**	**100%**	1,80,00,000	100%

Note No. 11 - Other equity

(` in lakh)

Particulars	Retained earnings	Total
Balance as at 31 March, 2020	**242.88**	**242.88**
Profit/(Loss) for the year	2,714.82	**2,714.82**
Other comprehensive income	–	–
Total comprehensive income	**2,714.82**	**2,714.82**
Dividend paid	2,761.20	2,761.20
Balance at 31 March, 2021	**196.50**	**196.50**
Profit/(Loss) for the year	997.41	**997.41**
Other comprehensive income	–	–
Total comprehensive income	**997.41**	**997.41**
Dividend paid	900.00	900.00
Balance at 31 March, 2022	**293.91**	**293.91**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 12 - Trade payables

(` in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
– Trade payables - total outstanding dues of micro enterprises and small enterprises ...	**20.64**	20.68
Less: Provision for Balances Write back	**19.46**	-
Total trade payables	**1.18**	20.68

Note:

(i) No Companies have been identified under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure as required by Notification No. G.S.R. 719 (E), dated 16 November, 2007 issued by the Ministry of Corporate Affairs is not applicable.

12 a - Ageing for trade payable from the due date of payment for each of the category is as follows

Particulars	As at 31st March, 2022	As at 31st March, 2021
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled	–	–
Not Due	–	–
0 months - 1 year	**1.18**	1.22
1-2 Years	–	–
2-3 years	–	–
More than 3 years	–	19.46
Total	**1.18**	20.68

Note No. 13 - Other current liabilities

(` in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
a. Others		
Statuatory remittances (withholding taxes, service tax, etc.)	**0.09**	0.07
b. Provision for tax	**35.79**	47.37
Previous years	**10.38**	–
Total other current liabilities	**46.26**	47.44

Note No. 14 - Other Income

(` in lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a) Interest Income on bank deposits	**2.08**	10.89
on Inter Corporate Deposits	**131.98**	179.33
(b) Dividend Income Dividend income from subsidiaries	**890.99**	2,573.97
(c) Miscellaneous Income	**1.07**	–
(d) Balances write off	**19.46**	–
Total other Income	**1,045.58**	2,764.20

Note No. 15 - Employee benefits expense

(` in lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salary and wages (including deputation charges)	**1.01**	1.14
Total employee benefit expenses	**1.01**	1.14

Note No. 16 - Other Expenses

(` in lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a) Professional charges	**0.40**	0.38
(b) Payments to auditors (including service tax):		
(i) For audit	**0.15**	0.15
(c) Miscellaneous expenses	**0.16**	0.05
(d) ROC Expenses	**0.05**	0.06
(e) Annual Custody Charges- NSDL	**0.53**	0.23
(f) Balances write back	**10.07**	–
Total other expenses	**11.37**	0.87

Note No. 17 - Current Tax and Deferred Tax

(a) Income Tax recognised in profit or loss

(` in lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current Tax:		
In respect of current year	**35.79**	47.37
	–	–
Total income tax expense on continuing operations	**35.79**	47.37

Note No. 18 - Contingent liabilities and commitments

(` in lakh)

Contingent liabilities (to the extent not provided for)	As at 31st March, 2022	As at 31st March, 2021
Contingent liabilities		
(a) Guarantee		
For Subsidiary Company - Mahindra Water Utilities Limited		
(subsidiary with effect from 27 July, 2015, prior to that it was a joint venture)		
– Amount of Gurantee outstanding	**1,800.00**	1,800.00
– Maximum liablity of the Company	**1,800.00**	1,800.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 19 - Earnings per share

Sr. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a)	Profit/(loss) for the year (`)	**9,97,40,929**	27,14,81,787
(b)	Weighted average number of equity shares (No.)	**1,80,00,000**	1,80,00,000
(c)	Basic/Diluted earning per share (`)	**5.54**	15.08
(d)	Nominal value per share (`)	**10**	10

Note No. 20 - Segment Reporting

The company has a single reportable segment namely development of infrastructure projects and infrastructure related services in India for the purpose of Ind As 108 on segment reporting.

Note No. 21 - Related Party Transactions

Related party disclosures as required by Ind As 24 "Related Party Disclosures" are given below.

Enterprises Controlling the Company

1	Mahindra & Mahindra Limited	Ultimate Holding Company
2	Mahindra Lifespace Developers Limited	Holding Company

Subsidiary

1	Mahindra Water Utilities Limited

Fellow Subsidiary

1	Mahindra Construction Company Limited
2	Mahindra Bloomdale Developers Ltd.

Joint Ventures

1	Mahindra Inframan Water Utilities Private Limited

Associate of Holding Company

1	Mahindra Knwoledge Park (Mohali) Limited

(` in lakh)

Nature of transactions with Related Parties	For the year ended	Holding Company	Subsidiary	Fellow subsidiary	Joint ventures	Associate
Employee benefit	**31-Mar-22**	**0.86**	–	–	–	–
	31-Mar-21	0.97	–	–	–	–
ICD given	**31-Mar-22**	–	–	–	**2.50**	–
	31-Mar-21	–	–	2,350.00	–	–
ICD Refunded	**31-Mar-22**	–	–	**64.00**		–
	31-Mar-21	–	–	2,569.00		–
Interest Received	**31-Mar-22**	–	–	**131.87**	**0.11**	–
	31-Mar-21	–	–	179.33		–
Dividend Paid	**31-Mar-22**	**900.00**	–	–		–
	31-Mar-21	2,761.20	–	–		–
Dividend Income	**31-Mar-22**	–	**890.99**	–	–	–
	31-Mar-21	–	2,573.97	–	–	–
Payment made on behalf of related party	**31-Mar-22**	–	–	–	–	**0.65**
	31-Mar-21	–	–	–	–	1.47

Nature of Balances with Related Parties	Balances as on	Ultimate Holding Company	Holding Company	Fellow subsidiariy	Joint ventures	Associate
Loans & advances given (including Interest on ICD)	**31-Mar-22**	–	–	**1,820.16**	**2.60**	–
	31-Mar-21	–	–	1,769.56		–
Receivable	**31-Mar-22**	–	–	–	–	–
	31-Mar-21	–	–	–		3.05
Payables	**31-Mar-22**	–	**0.93**	–	–	–
	31-Mar-21	–	1.07	–		–

Notes:

1. During the year, there were no amounts required to be written off or written back in respect of debts due from or to related parties.
2. Related parties have been identified by the Management.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 22 As the Company can continue its current operations with its own cash resources for a period of atleast one year, the accounts of the Company for the period ended 31 March, 2022 have been prepared on the basis of going concern.

Note No. 23 - Financial Instruments

[I] Capital management

The Company's capital management objectives is to ensure the Company's ability to continue as a going concern

The capital structure of the Company consists of equity.

The Company does not have any borrowings.

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

[II] Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A) CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primary trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

(i) Trade receivables

Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date and the Company measures the loss allowances at an amount equal to lifetime expected credit lossess. The Company does not hold collateral as security.

(ii) Financial instruments and cash deposits:

Credit risk from balances with banks is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with bank.

B) LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

(` in lakh)

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total	Carrying Value
Non-derivative financial liabilities						
31-Mar-22						
Trade Payable	1.18	–	–	–	1.18	1.18
Total	**1,17,954**	**–**	**–**	**–**	**1,17,954**	**1,17,954**
31-Mar-21						
Trade Payable	1.23	16.21	3.25	–	20.68	20.68
Total	**1.23**	**16.21**	**3.25**	**–**	**20.68**	**20.68**

(iii) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(` in lakh)

Particulars	Less than 1 Year	1-3 Years	3-4 Years	5 Years and above	Total	Carrying amount
Non-derivative financial assets						
31st March 2022						
Non interest rate bearing	193.26	–	–	–	193.26	193.26
Fixed interest rate bearing	23.42	–	–	–	23.42	23.42
Total	216.68	–	–	–	216.68	216.68

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(` in lakh)

Particulars	Less than 1 Year	1-3 Years	3-4 Years	5 Years and above	Total	Carrying amount
31st March 2021						
Non interest rate bearing	80.99	–	–	–	80.99	80.99
Fixed interest rate bearing	45.37	–	–	–	45.37	45.37
Total	**126.37**	**–**	**–**	**–**	**126.37**	**126.37**

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

There has been no significant changes to the Company's exposure to market risk or the methods in which they are managed or measured.

(i) Currency Risk

The Company undertakes transactions denominated only in Indian Rupees and hence, there is no risk of foreign exchnage fluctuations.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have significant exposure to the risk of changes in market interest rates.

(iii) Other price risk

The Company does not have significant other price risk.

Note No. 24 - Financial Ratios

	Particulars	Numerator	Denominator	For the year ended March 31st, 2022	For the year ended March 31st, 2021	% Variance
a)	Current Ratio	Current Assets	Current Liabilities	4.58	1.91	139.87%
b)	Debt Equity Ratio	Net Debt	Equity	NA	NA	NA
c)	Debt Service Coverage Ratio (DSCR)	EBDITA	Total Debt	NA	NA	NA
d)	Return of Equity	PAT	Networth	0.48	1.36	-64.97%
e)	Inventory Turnover ratio	COGS	Average Inventory	NA	NA	NA
f)	Trade Receivables turnover ratio	Turnover	Trade Receiavables (Average)	NA	NA	NA
g)	Trade Payable turnover ratio	COGS	Average Trade payable	NA	NA	NA
h)	Net capital turnover ratio,	Average Networth	Turnover	NA	NA	NA
i)	Net profit ratio	PAT	Revenue	NA	NA	NA
j)	Return on Capital employed	PAT	Networth	0.49	4.46	-89.06%
k)	Return on investment	PAT	Capital employed	0.49	4.46	-89.06%

Note No. 25 - Additional regulatory information

Details of benami property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

Note No. 26 - Events after the reporting period

No material events have occurred after the Balance Sheet date and upto the approval of the

Note No. 27 Continues - Fair Value Measurement

Financial assets measured at fair value

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
	31-Mar-22	31-Mar-21				
Financial assets						
Investments in equity instruments						
– New Tirupur Area Development Corporation Limited (NTADCL) (15,000,000 equity shares of Rs. 10 each)	–	–	Level 3		On the basis of NTADCL's own data, taking into account all information about market participant that is reasonably available.	NA
Total financial liabilities	–	–				

Note No. 28 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

In terms of our report attached

For **R Jaitlia & Co.**
Chartered Accountants

Mukesh Maheshwari
Partner
Membership No: 049818

Place: Mumbai
Date: 19th April 2022

Manoj Gupta
Chief Financial Officer

For and on behalf of the Board of Directors

Sumit Kasat
Chief Executive Officer

Viral Oza
Director (DIN: 03552722)

Geeta Dhokare
Company Secretary
ACS : 51135

Parveen Mahtani
Director (DIN: 05189797)

Place: Mumbai
Date: 19th April 2022

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. in lakhs)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Mahindra Water Utilities Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	–
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	–
4.	Share capital	10.00
5.	Reserves & surplus	2,218.91
6.	Total assets	2,453.79
7.	Total Liabilities	377.63
8.	Investments	3.75
9.	Turnover	2,320.29
10.	Profit before taxation	952.30
11.	Provision for taxation	245.45
12.	Profit after taxation	706.86
13.	Proposed Dividend	NIL
14.	% of shareholding	98.99%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Joint Venture	Associate
Name of associates/Joint Ventures	Mahindra Inframan Water Utilities Pvt Ltd.	Rathna Bhoomi Enterprises Pvt Ltd.
1. Latest audited Balance Sheet Date	31.03.2022	31.03.2022
2. Shares of Associate/Joint Ventures held by the company on the year end	50%	50%
Nos.	24,999	500
Amount of Investment in Joint Venture / Associates	249,990	5,000
Extend of Holding %	50%	50%
3. Description of how there is significant influence	Note A	Note A
4. Reason why the associate/joint venture is not consolidated		
5. Net worth attributable to shareholding as per latest audited Balance Sheet	(2.26)	(26.81)
6. Profit/Loss for the year		
i. Considered in Consolidation	–	–
ii. Not Considered in Consolidation	(1.01)	(0.53)

Note A: There is significant influence due to percentage (%) of Share Capital

1. Names of Joint ventures or associates which are yet to commence operations.

Note: This Form is to be certified in the same manner in which the Balance sheet is to be certified.

In terms of our report attached

For **R Jaitlia & Co.**
Chartered Accountants
Firm Registration No:117246W

Mukesh Maheshwari
Partner
Membership No: 049818

Place: Mumbai
Date: 19th April 2022

Manoj Gupta
Chief Financial Officer

For and on behalf of the Board of Directors

Sumit Kasat
Chief Executive Officer

Viral Oza
Director (DIN: 03552722)

Geeta Dhokare
Company Secretary
ACS : 51135

Parveen Mahtani
Director (DIN: 05189797)

Place: Mumbai
Date: 19th April 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

MAHINDRA WATER UTILITIES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Mahindra Water Utilities Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

As part of an audit in accordance with 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 financial 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 the 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 Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   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, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

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

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

      iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 30 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 39 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells Chartered Accountants LLP
Chartered Accountants
(Firm's Registration No. 117364W/W100739)

Ketan Vora
(Partner)
(Membership No. 100459)
UDIN: 22100459AHJXED9916

Place: Mumbai
Date: April 19, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Mahindra Water Utilities Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For Deloitte Haskins & Sells Chartered Accountants LLP
Chartered Accountants
(Firm's Registration No. 117364W/W100739)

Ketan Vora
(Partner)
(Membership No. 100459)
UDIN: 22100459AHJXED9916

Place: Mumbai
Date: April 19, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Mahindra Water Utilities Limited on the financial statements for the year ended March 31, 2022).

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company does not have any intangible assets.

(b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. No material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties hence reporting under clause (i)(c) of the Order is not applicable.

(d) The Company has not revalued any of its property, plant and equipment during the year. The Company does not have any intangible assets.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.

(iii) (a) The Company has granted loans during the year and details of which are given below:

		Amount (Rs)
A.	Aggregate amount granted during the year:	
	Others (Fellow Subsidiary)	42,627,033
B.	Balance outstanding as at balance sheet date in respect of above cases	
	Others (Fellow Subsidiary)	42,627,033

The Company has not provided any advance in the nature of loans or guarantee or security to any other entity during the year.

(b) The terms and conditions of the above-mentioned loan granted during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) The Company has complied with the provisions of sections 185 or 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year. We have been informed that the provisions of Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess are not applicable to the Company for the year.

There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax and other material statutory dues in arrears, as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2022.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b), (c) and (d) of the Order is not applicable.

(b) The Group has more than one CIC as part of the group. There are 6 CIC forming part of the group.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(ix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For Deloitte Haskins & Sells Chartered Accountants LLP
Chartered Accountants
(Firm's Registration No. 117364W/W100739)

Ketan Vora
(Partner)
(Membership No. 100459)
UDIN: 22100459AHJXED9916

Place: Mumbai

Date: April 19, 2022

BALANCE SHEET AS AT MARCH 31, 2022

	Particulars	Note No.	As at March 31, 2022 Rupees	As at March 31, 2021 Rupees
A	**ASSETS**			
	1 Non-current assets			
	(a) Property, Plant and Equipment	4	**82,59,702**	79,63,949
	(b) Financial Assets			
	(i) Loans	10	**4,26,27,033**	–
	(ii) Other Financial assets	6	**18,406**	1,90,32,355
	(c) Deferred tax assets (net)	25	**34,05,226**	35,32,279
	(d) Other non-current assets	7	**2,11,01,602**	2,03,88,915
	Total Non - Current Assets		**7,54,11,969**	5,09,17,498
	2 Current assets			
	(a) Financials Assets			
	(i) Investments	8	**3,75,243**	3,62,193
	(ii) Trade receivables	5	**2,60,23,524**	3,14,56,913
	(iii) Cash and cash equivalents	9	**38,45,896**	27,64,323
	(iv) Bank Balances other than (iii) above	9	**13,62,70,634**	5,46,45,023
	(v) Loans	10	**–**	11,75,00,000
	(vi) Other financial assets	6	**17,68,883**	50,96,091
	(b) Other Current Assets	7	**16,82,368**	11,75,884
	Total Current Assets		**16,99,66,548**	21,30,00,427
	Total Assets		**24,53,78,517**	26,39,17,925
B	**EQUITY AND LIABILITIES**			
	1 Equity			
	(a) Equity Share capital	11	**10,00,000**	10,00,000
	(b) Other Equity	12	**20,66,15,290**	22,54,76,775
	Total equity		**20,76,15,290**	22,64,76,775
	LIABILITIES			
	2 Non-current liabilities			
	Provisions	18	**–**	3,73,708
	Total Non - Current Liabilities		**–**	**3,73,708**
	3 Current liabilities			
	(a) Financial Liabilities			
	(i) Trade payables			
	– total outstanding dues of micro enterprises; and small enterprises and	13	**25,774**	27,199
	– total outstanding dues of creditors other than and micro enterprises and small enterprises	13	**72,19,362**	80,24,598
	(ii) Other financial liabilities	14	**84,03,781**	71,48,364
	(b) Other current liabilities	15	**28,28,903**	28,39,813
	(c) Provisions	16	**97,39,466**	94,81,527
	(d) Current Tax liabilities (net)	17	**95,45,941**	95,45,941
	Total Current Liabilities		**3,77,63,227**	3,70,67,442
	Total Equity and Liabilities		**24,53,78,517**	26,39,17,925
	See accompanying notes to the financial statements	1-44		

In terms of our report attached

For Deloitte Haskins & Sells Chartered Accountants LLP
Chartered Accountants

Ketan Vora
Partner

Place: Mumbai
Date : April 19th, 2022

For and on behalf of the Board of Directors

Arvind Subramanian Director

Vimal Agarwal Director

Place: Mumbai
Date : April 19th, 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

	Particulars	Note No.	For the year ended March 31, 2022 Rupees	For the year ended March 31, 2021 Rupees
I	Revenue from operations	19	**22,18,91,258**	22,54,92,601
II	Other Income	20	**1,01,37,856**	1,72,76,946
III	**Total Income (I + II)**		**23,20,29,114**	24,27,69,547
IV	**EXPENSES**			
	(a) Employee benefits expense	21	**7,20,25,165**	6,83,46,581
	(b) Finance costs	22	**86,724**	–
	(c) Depreciation	4	**15,89,890**	21,52,876
	(d) Other expenses	23	**6,30,97,063**	6,41,78,988
	Total Expenses (IV)		**13,67,98,842**	13,46,78,445
V	**Profit before tax (III - IV)**		**9,52,30,272**	10,80,91,102
VI	**Tax Expense**			
	(i) Current tax	25	**2,45,70,000**	2,69,90,000
	(ii) Deferred tax		**(25,302)**	4,63,660
	Total tax expense		**2,45,44,698**	2,74,53,660
VII	**Profit for the year (V - VI)**		**7,06,85,574**	8,06,37,442
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit liabilities / (asset)		**6,05,292**	4,75,028
	Tax relating to items that will not be reclassified to profit or loss		**(1,52,352)**	(1,19,565)
			4,52,940	3,55,463
IX	**Total comprehensive income for the year (VII + VIII)**		**7,11,38,514**	8,09,92,905
X	**Earnings per equity share : (Face Value of Rs. 10 each)**	26		
	(i) Basic		**706.86**	806.37
	(ii) Diluted		**706.86**	806.37
	See accompanying notes to the financial statements	1-44		

In terms of our report attached

For Deloitte Haskins & Sells Chartered Accountants LLP
Chartered Accountants

Ketan Vora
Partner

Place: Mumbai
Date : April 19th, 2022

For and on behalf of the Board of Directors

Arvind Subramanian Director

Vimal Agarwal Director

Place: Mumbai
Date : April 19th, 2022

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Particulars		For the year ended March 31, 2022		For the year ended March 31, 2021
	Rupees	Rupees	Rupees	Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Profit before tax		**9,52,30,272**		10,80,91,102
Adjustments for:				
Depreciation and amortisation expense	**15,89,890**		21,52,876	
Gain on disposal of property, plant and equipment	**(2,51,820)**		(2,29,102)	
Finance Cost	**86,724**		–	
Provision for doubtful trade receivables written off / (written back)	**–**		(4,29,157)	
Service tax payable written off	**–**		(3,04,605)	
Dividend Income	**(13,050)**		(23,618)	
Interest Income from loan to related party	**(82,42,289)**		(93,95,000)	
Interest Income from Bank	**(16,30,697)**	**(84,61,242)**	(36,95,068)	(1,19,23,674)
Operating Profit before Working Capital changes		**8,67,69,030**		9,61,67,428
Movements in working capital				
Decrease/ (Increase) in Trade receivables	**54,33,389**		(55,98,313)	
(Increase)/ Decrease in Other Financial assets and Other assets	**(6,19,964)**		8,25,749	
Increase Trade payables, Provisions, Other financial liabilities and other liabilities	**9,27,373**	**57,40,798**	15,45,742	(32,26,822)
Cash generated from operations		**9,25,09,828**		9,29,40,606
Income-tax paid (net of refunds)		**(2,51,59,613)**		(2,76,85,795)
NET CASH GENERATED FROM OPERATING ACTIVITIES		**6,73,50,215**		6,52,54,811
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of property, plant and equipment	**(18,85,643)**		(12,37,574)	
Proceeds from sale of property, plant and equipment	**2,51,820**		2,38,050	
Interest received - Fixed Deposits at Bank	**15,39,288**		95,17,545	
Interest received - Loan to related party	**1,16,60,906**		72,62,557	

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Particulars		**For the year ended March 31, 2022**		For the year ended March 31, 2021
	Rupees	**Rupees**	**Rupees**	**Rupees**
Loan given to related party	**(4,26,27,033)**		–	
Loan repaid by related party	**11,75,00,000**		5,00,00,000	
Increase in other bank balances	**(6,26,21,256)**		4,62,29,476	
NET CASH FROM INVESTING ACTIVITIES		**2,38,18,082**		11,20,10,054
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Finance costs paid	**(86,724)**		–	
Dividend paid with dividend distribution tax	**(9,00,00,000)**		(26,00,00,000)	
NET CASH USED IN FINANCING ACTIVITIES		**(9,00,86,724)**		(26,00,00,000)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		**10,81,573**		(8,27,35,135)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**27,64,323**		8,54,99,458
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**38,45,896**		27,64,323

Particulars	**April 1, 2021**	**Cash Flow**	**Non Cash Changes**	**March 31, 2022**
Borrowing - Non Current	–	–	**–**	**–**
Borrowing - Current	–	–	**–**	**–**
Total	–	–	**–**	**–**

The above Cash flow statement has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard (IND AS) 7 'Cash Flow Statement'.

In terms of our report attached

For Deloitte Haskins & Sells Chartered Accountants LLP
Chartered Accountants

Ketan Vora
Partner

Place: Mumbai
Date : April 19th, 2022

For and on behalf of the Board of Directors

Arvind Subramanian Director

Vimal Agarwal Director

Place: Mumbai
Date : April 19th, 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 1. Corporate information:

Mahindra Water Utilities Limited (the Company) is a public company incorporated in India on August 10, 1999 under the provisions of Companies Act, 1956. The Company is engaged in operation & maintenance of water and sewage system for M/s. New Tirupur Area Development Corporation Limited, Tirupur. The Company is a subsidiary of Mahindra Infrastructure Developers Limited and the ultimate holding company is Mahindra and Mahindra Limited.

Note 2. Significant accounting policies:

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis for preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Property, Plant and Equipment:

Property, Plant and Equipment held for use in supply of services or for administrative purposes, are stated in the Balance Sheet at cost less depreciation and accumulated impairment losses, if any. Costs comprise purchase price and attributable costs, if any.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives as determined by the Management, using the straight-line method. Estimated useful life as determined by the Management is in line with that prescribed in Schedule II to the Companies Act 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets costing individually less than Rs. 5,000 is fully depreciated in the year of purchase.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.4 Impairment of tangible assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.5 Revenue recognition:

Revenue is measured at the fair value of the consideration received or receivable.

i) Income for services is accounted for as and when services are rendered as per terms of the agreement at the contractual rate and there exists no significant uncertainty as to ultimate realisation.

ii) Dividend income from investments is recognised when the shareholder's right to receive payment has been established provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

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

2.6 Employee benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.7 Lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

2.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current tax

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

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

Current and deferred tax are recognised in the Statement of Profit and Loss except when they relate to items that are recognised in Other Comprehensive Income, in which case, the current and deferred tax are also recognised in Other Comprehensive Income.

2.9 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.10 Financial Instruments

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

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

(i) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

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

Investments in units of Mutual Funds are classified as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the Company, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Foreign exchange gains and losses on financial assets

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

(ii) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Note 3 Critical accounting judgements and key sources of estimation uncertainty:

In the application of the Company's accounting policies, which are described in Note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

At the end of the reporting period, there were no key assumptions concerning the future period that may have had a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. Equity share capital

	Rupees
As at April 1, 2021	10,00,000
Changes in equity share capital during the year	–
As at March 31, 2021	10,00,000
Changes in equity share capital during the year	–
As at March 31, 2022	10,00,000

B. Other Equity

	Reserves and Surplus		
Particular	**Retained earnings**	**Items of other comprehensive income - Remeasurements of the defined benefit liabilities/ (asset)**	**Total**
	Rupees	Rupees	Rupees
As at April 1, 2020	**40,58,37,404**	**(13,53,534)**	**40,44,83,870**
Profit for the year	8,06,37,442	–	8,06,37,442
Dividend paid during the year	(26,00,00,000)		(26,00,00,000)
Dividend Distribution Tax	–		–
Other Comprehensive Income / (Loss) for the year (net of tax)	–	3,55,463	3,55,463
Total Comprehensive Income for the year	(17,93,62,558)	3,55,463	(17,90,07,095)
Balance at March 31, 2021	**22,64,74,846**	**(9,98,071)**	**22,54,76,775**
Profit for the year	7,06,85,574	–	7,06,85,574
Dividend paid during the year	(9,00,00,000)		(9,00,00,000)
Dividend Distribution Tax	–		–
Other Comprehensive Income / (Loss) for the year (net of tax)	–	4,52,940	4,52,940
Total Comprehensive Income for the year	(1,93,14,426)	4,52,940	(1,88,61,486)
Balance at March 31, 2022	**20,71,60,420**	**(5,45,131)**	**20,66,15,290**

In terms of our report attached

For Deloitte Haskins & Sells Chartered Accountants LLP
Chartered Accountants

Ketan Vora
Partner

Place: Mumbai
Date : April 19th, 2022

For and on behalf of the Board of Directors

Arvind Subramanian Director

Vimal Agarwal Director

Place: Mumbai
Date : April 19th, 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 4 - Property, Plant and Equipment

Description of Assets	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
I. Gross carrying amount					
Balance as at April 1, 2020	**36,38,594**	**6,23,808**	**8,12,137**	**64,30,026**	**1,15,04,565**
Additions during the year ended March 31, 2021	1,20,839	95,510	3,894	10,17,331	12,37,574
Disposal of assets during the year ended March 31, 2021	58,575	–	–	11,65,940	12,24,515
Balance as at March 31, 2021	**37,00,858**	**7,19,318**	**8,16,031**	**62,81,417**	**1,15,17,624**
Additions during the Year ended March 31, 2022	3,46,489	–	39,100	15,00,054	18,85,643
Disposal of assets during the Year ended March 31, 2022	–	3,65,839	61,869	9,20,175	13,47,883
Balance as at March 31, 2022	**40,47,347**	**3,53,479**	**7,93,262**	**68,61,296**	**1,20,55,384**
II. Accumulated depreciation					
Balance as at April 1, 2020	**15,92,895**	**2,26,000**	**5,10,204**	**2,87,267**	**26,16,366**
Depreciation for the year	9,05,926	1,65,502	42,727	10,38,721	21,52,876
Eliminated on Disposal of assets during the year ended March 31, 2020	49,627	–	–	11,65,940	12,15,567
Balance as at March 31, 2021	**24,49,194**	**3,91,502**	**5,52,931**	**1,60,048**	**35,53,675**
Depreciation for the year	2,77,380	1,05,417	43,623	11,63,470	15,89,890
Eliminated on Disposal of assets during the Year ended March 31, 2022	–	3,65,839	61,869	9,20,175	13,47,883
Balance as at March 31, 2022	**27,26,574**	**1,31,080**	**5,34,685**	**4,03,343**	**37,95,682**
Net carrying amount (I-II)					
Balance as at March 31, 2022	**13,20,773**	**2,22,399**	**2,58,577**	**64,57,953**	**82,59,702**
Balance as at March 31, 2021	12,51,664	3,27,816	2,63,100	61,21,369	79,63,949

Note 5 - Trade receivables

	Particulars	**As at March 31, 2022**		As at March 31, 2021	
		Current	**Non Current**	Current	Non Current
		Rupees	Rupees	Rupees	Rupees
(a)	Trade Receivables considered good - Unsecured;	**2,60,23,524**	**–**	3,14,56,913	–
(b)	Trade Receivables - Credit impaired		**27,53,131**		27,53,131
	Less: Allowances for Expected Credit Losses		**(27,53,131)**		(27,53,131)
	Total	**2,60,23,524**	**–**	3,14,56,913	–

Trade receivables

The entire trade receivables balance as at March 31, 2022 and March 31, 2021 is due from M/s. New Tirupur Area Development Corporation Ltd., the sole client of the Company.

The average credit period on invoice for services is 15 days. No interest is charged on trade receivables.

The concentration of credit risk is high, since the entire trade receivables are due from only one client, M/s. New Tirupur Area Development Corporation Ltd.

The Company has incurred expenses towards certain specified categories of maintenance of plant and facilities. As per the terms of the aforementioned agreement with NTADCL, the Company is entitled to reimbursement of the aforesaid expenses, which the Company has also claimed from NTADCL. The Company has not formally received a confirmation on the payment due for such reimbursable services.

Based on further negotiations/ discussions with NTADCL, the company is confident of receiving these payments and hence no further provision has been done in the current year.

Reconciliation of loss allowance provision for Trade Receivables

	As at March 31, 2022	As at March 31, 2021
Particulars	Rupees	Rupees
Balance as at beginning of the year	**27,53,131**	59,01,592
Impairment losses / Gain recognised in the year based on 12 month expected credit losses		
On receivables originated in the year	**–**	–
Other receivables	**–**	(4,29,157)
Amount written-off during the year		(27,19,304)
Balance at end of the year	**27,53,131**	27,53,131

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Ageing for trade receivables from the due date of payment for each of the category is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Undisputed Trade Receivable - Considered good - unsecured		
Not Due	**2,16,65,848**	2,22,57,620
0 months - 6 months	**19,53,414**	53,01,007
6 months -1 year	**1,79,705**	4,07,200
1-2 Years	**2,60,270**	3,42,486
2-3 years	**3,42,486**	11,66,481
More than 3 years	**16,21,801**	19,82,119

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivable - Credit impaired		
Not Due	–	–
0 months - 6 months	–	–
6 months -1 year	–	–
1-2 Years	–	–
2-3 years	–	–
More than 3 years	**27,53,131**	27,53,131
Total	**2,87,76,655**	3,42,10,044

Note 6 - Other Financial Assets

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	**Non Current**	Current	Non Current
	Rupees	Rupees	Rupees	Rupees
Financial assets at amortised cost				
(a) Interest accrued on deposits with bank	**13,76,717**	–	12,85,308	–
(b) Interest accrued on Loan to Related Party	**1,72,166**	–	35,90,783	–
(c) Fixed Deposits	–	–	–	1,90,04,355
(d) Security deposits	**2,20,000**	**18,406**	2,20,000	28,000
Total	**17,68,883**	**18,406**	50,96,091	1,90,32,355

Note 7 - Other assets

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	**Non Current**	Current	Non Current
	Rupees	Rupees	Rupees	Rupees
Advance income tax including fringe benefit tax	–	**2,09,78,528**	–	2,03,88,915
Others				
(a) Gratuity Assets (Net of provision)	–	**1,23,074**	–	–
(b) Advance to Suppliers	–	–	1,303	–
(c) Prepaid Expenses	16,82,368	–	11,74,581	–
Total	**16,82,368**	**2,11,01,602**	11,75,884	2,03,88,915

Note 8 - Investment

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of units	**Rupees**	No. of units	Rupees
Investments Carried at: Fair Value Through Profit and Loss				
Unquoted Investments				
Investments in Mutual Funds				
HDFC Cash Management Fund of Rs. 10/-each fully paid up	**36,996.045**	**3,75,243**	35,713.511	3,62,193
Total	**36,996.045**	**3,75,243**	35,713.511	3,62,193

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 9 - Cash and Bank Balances

Particulars	**As at March 31, 2022**	As at March 31, 2021
	Rupees	Rupees
(a) Balance with Banks		
(i) In Current Account	**38,45,896**	27,64,323
	38,45,896	27,64,323
(b) Bank Balances other than above		
Balance with Banks		
Balance with bank held as margin money	**12,70,634**	10,51,177
Fixed Deposits with original maturity greater than 3 months	**13,50,00,000**	5,35,93,846
	13,62,70,634	5,46,45,023
	14,01,16,530	5,74,09,346

Note 10 - Loans

Particulars	**As at March 31, 2022**		As at March 31, 2021	
	Current	**Non Current**	Current	Non Current
	Rupees	Rupees	Rupees	Rupees
Loans Receivables considered good - Unsecured				
Loan to related party	**–**	**4,26,27,033**	11,75,00,000	–
Total	**–**	**4,26,27,033**	11,75,00,000	–

Loans or advances in the nature of loans to promoters, directors, KMPs or related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:
(a) repayable on demand; or
(b) without specifying any terms or period of repayment

Particulars	**As at March 31, 2022**		As at March 31, 2021	
	Amount of loan or advance outstanding	**% to the total loans and advances**	Amount of loan or advance outstanding	% to the total loans and advances
Promoter	**–**	**–**	–	–
Directors	**–**	**–**	–	–
KPM's	**–**	**–**	–	–
Related parties	**–**	**–**	–	–
	–	**–**	–	–

Note 11 - Equity Share capital

Particulars	**As at March 31, 2022**		As at March 31, 2021	
	Nos	Rupees	Nos	Rupees
Authorised shares:				
Equity Shares of Rs. 10 each	**1,00,000**	**10,00,000**	1,00,000	10,00,000
	1,00,000	**10,00,000**	1,00,000	10,00,000
Issued, subscribed and fully paid-up shares:				
Equity Shares of Rs. 10 each	**1,00,000**	**10,00,000**	1,00,000	10,00,000
	1,00,000	**10,00,000**	1,00,000	10,00,000

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity:	**As at March 31, 2022**		As at March 31, 2021	
	Nos	Rupees	Nos	Rupees
Opening Balance	**1,00,000**	**10,00,000**	1,00,000	10,00,000
Closing Balance	**1,00,000**	**10,00,000**	1,00,000	10,00,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Terms/rights attached to equity shares

The Company is having only one class of equity shares having par value of Rs. 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 the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shares held by the holding company:

Particulars	As at March 31, 2022	As at March 31, 2021
	Number of shares	Number of shares
Mahindra Infrastructure Developers Limited, the holding company	**98,999**	98,999

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	**% holding**	Number of shares	% holding
Mahindra Infrastructure Developers Limited	**98,999**	**99%**	98,999	99%

(iv) Details of shareholdings by the Promoter's of the Company

Class of shares / Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares	**% holding**	Number of shares	% holding
Equity shares with voting rights				
Mahindra Infrastructure Developers Limited	**98,999**	**99%**	98,999	99%
	–	**–**	–	–

Note 12 - Other Equity

Particulars	As at March 31, 2022 Rupees	As at March 31, 2021 Rupees
Retaining Earnings		
As per last balance sheet	**22,54,76,775**	40,44,83,870
Add: Profit for the year	**7,06,85,574**	8,06,37,442
Dividend paid during the year	**(9,00,00,000)**	(26,00,00,000)
Dividend Distribution Tax	**–**	–
Other Comprehensive Income / (Loss) for the year (net of tax)	**4,52,940**	3,55,463
Balance As at March 31, 2022	**20,66,15,289**	22,54,76,775

Retained Earnings represent the cumulative profits of the Company and the effects of remesurement of defined benefit obligations. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

Note 13 - Trade Payables

Particulars	As at March 31, 2022 Rupees	As at March 31, 2021 Rupees
Total outstanding dues of Micro and Small enterprises [Refer Note no: 32]	**25,774**	27,199
Total outstanding dues of creditors other than micro and small enterprises	**72,19,362**	80,24,598
Total	**72,45,136**	80,51,797

Note:

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

Ageing for trade payable from the due date of payment for each of the category is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Undisputed dues of micro enterprises and small enterprises		
Unbilled	**–**	–
Not Due	**25,774**	27,199
0 months - 1 year	**–**	–
1-2 Years	**–**	–
2-3 years	**–**	–
More than 3 years	**–**	–
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled	**–**	–
Not Due	**72,19,362**	80,24,598
0 months - 1 year	**–**	–
1-2 Years	**–**	–
2-3 years	**–**	–
More than 3 years	**–**	–
Total	**72,45,136**	80,51,797

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 14 - Other financial Liabilities

Particulars	**As at March 31, 2022 Rupees**	As at March 31, 2021 Rupees
Loans Receivables considered good - Secured		
(a) Payable to employees	**79,73,781**	66,93,364
(b) Deposits received from Service providers	**4,30,000**	4,55,000
Total	**84,03,781**	71,48,364

Note:

Payable to employees represents amounts payable towards Salary, performance pay and bonus

Deposits received from Service providers are security deposits received from the service providers as a security towards non-performance of their contract obligations, if any.

Note 15 - Other Current Liabilities

Particulars	**As at March 31, 2022 Rupees**	As at March 31, 2021 Rupees
(a) Statutory Dues - Taxes payable (other than income taxes)	**27,42,179**	28,39,813
(b) Interest payable U/s 234B of the Income Tax Act	**86,724**	–
Total	**28,28,903**	28,39,813

Note 16 - Provisions

Particulars	**As at March 31, 2022 Rupees**	As at March 31, 2021 Rupees
Provision for employee benefits		
Compensated absences	**97,39,466**	94,81,527
Total	**97,39,466**	94,81,527

Note - 17 Current Tax Liabilities (net)

Particulars	**As at March 31, 2022 Rupees**	As at March 31, 2021 Rupees
Provision for tax (net of advance tax)	**95,45,941**	95,45,941
Total	**95,45,941**	95,45,941

Note 18 - Provisions

Particulars	**As at March 31, 2022 Rupees**	As at March 31, 2021 Rupees
Provisions for Gratuity	**–**	3,73,708
Total	**–**	3,73,708

Note 19 - Revenue from Operations

Particulars	**For the Year ended March 31, 2022 Rupees**	For the Year ended March 31, 2021 Rupees
(a) Revenue from rendering of services	**21,42,45,000**	21,42,45,000
(b) Revenue from ancilliary services	**76,46,258**	1,12,47,601
Total	**22,18,91,258**	22,54,92,601

Note - 20 Other Income

Particulars	**For the Year ended March 31, 2022 Rupees**	For the Year ended March 31, 2021 Rupees
(a) Interest Income on financial assets carried at amortised cost		
(i) Bank deposits	**16,30,697**	36,95,068
(ii) Loan to related party	**82,42,289**	93,95,000
(b) Dividend Income	**13,050**	23,618
(c) Provision for doubtful debts written back	**–**	4,29,157
(d) Gain on Sale of Property, plant and equipment	**2,51,820**	2,29,102
(e) Recovery of bad debts written off	**–**	31,80,677
(f) Miscellaneous Income	**–**	3,24,324
Total	**1,01,37,856**	1,72,76,946

Note - 21 Employee Benefits Expenses

Particulars	**For the Year ended March 31, 2022 Rupees**	For the Year ended March 31, 2021 Rupees
(a) Salaries and wages	**6,63,41,432**	6,25,86,061
(b) Contribution to provident and other funds (See below Note)	**34,33,765**	31,83,159
(c) Staff welfare expenses	**22,49,968**	25,77,361
Total	**7,20,25,165**	6,83,46,581

Note:

Salaries and wages include: Salaries, wages, bonus, compensated absences and all other amounts payable to employees in respect of services rendered as per their employment terms under a contract of service / employment.

Contribution to provident fund and other funds includes contributions to Provident Fund, ESI, Labour Welfare Fund and gratuity fund with LIC.

Note - 22 Finance Cost

Particulars	**For the Year ended March 31, 2022 Rupees**	For the Year ended March 31, 2021 Rupees
Interest expense - interest on delayed / deferred payment of income tax	**86,724**	–
Total	**86,724**	–

Note - 23 Other Expenses

Particulars	**For the Year ended March 31, 2022 Rupees**	For the Year ended March 31, 2021 Rupees
(a) Rent including lease rentals	**3,30,000**	3,30,000
(b) Rates and taxes	**2,29,260**	2,42,360
(c) Insurance	**29,75,537**	23,57,154
(d) Repairs and maintenance - Machinery	**7,05,079**	7,98,223
(e) Repairs and maintenance - Others	**16,28,513**	13,91,218
(f) Legal and professional charges	**8,42,258**	23,61,403

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Particulars		For the Year ended March 31, 2022 Rupees	For the Year ended March 31, 2021 Rupees
(g)	Software Expenses	**11,29,984**	10,50,394
(h)	Printing & Stationery	**4,02,648**	5,14,219
(i)	Postage and telephone	**7,46,325**	6,54,675
(j)	Subcontracting, Hire and Service Charges	**4,13,34,178**	4,20,71,988
(k)	Expenditure on corporate social responsibilty (CSR) under section 135 of the Companies Act, 2013.	**21,00,000**	22,52,950
(l)	Vehicle running expenses	**76,87,719**	75,16,548
(m)	Payment to auditors (refer Note (i) below)	**12,00,000**	12,00,000
(n)	Directors Fee	**80,000**	90,000
(o)	Miscellaneous Expenses	**17,05,562**	13,47,856
Total		**6,30,97,063**	6,41,78,988

Note (i)

Payment to Auditors:	For the Year ended March 31, 2022 Rupees	For the Year ended March 31, 2021 Rupees
Payment to auditors (net of GST input credit)		
For Statutory audit	**8,70,000**	8,70,000
For Certification and other services	**3,30,000**	3,30,000
Total	**12,00,000**	12,00,000

Note 24 - Contingent liabilities, Contingent Assets and commitments

Contingent liabilities (to the extent not provided for)

	As at March 31, 2022 Rupees	As at March 31, 2021 Rupees
Contingent liabilities		
Claims against the Company not acknowledged as debt		
Income tax demands disputed for various assessment years, on account of disallowance of certain expenses, where the Company has preferred appeal with the higher authorities	–	52,73,098
	–	52,73,098

In respect of items mentioned above the timing of outflow of economic benefits cannot be ascertained.

There are no Contingent Assets and Commitments at the end of each reporting periods

Note 25 - Current Tax and Deferred Tax

(a) Income Tax recognised in profit or loss

Particulars	Year ended March 31, 2022 Rupees	Year ended March 31, 2021 Rupees
Current Tax:		
In respect of current year	**2,45,70,000**	2,69,90,000
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	**(25,302)**	4,63,660
Adjustments due to changes in tax rates	–	–
	(25,302)	4,63,660
Total income tax expense	**2,45,44,698**	2,74,53,660

(b) Income tax recognised in other Comprehensive income

Particulars	Year ended March 31, 2022 Rupees	Year ended March 31, 2021 Rupees
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit Liabilities / (assets)	**1,52,352**	1,19,565
Total	**1,52,352**	1,19,565
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	**1,52,352**	1,19,565
Total	**1,52,352**	1,19,565

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	Year ended March 31, 2022 Rupees	Year ended March 31, 2021 Rupees
Profit before tax	**9,52,30,272**	10,80,91,102
Income tax expense calculated at 25.170%#	**2,39,67,555**	2,72,06,530
Reduction in tax rate	–	–
Effect of income that is exempt from taxation	**(3,284)**	–
Effect of expenses that is non-deductible in determining taxable profit	**5,80,427**	2,47,130
Income tax expense recognised In profit or loss	2,45,44,698	2,74,53,660

The tax rate used for the March 31, 2022 and March 31, 2021 in reconciliations above is the corporate tax rate of 25.170% (including surcharge and cess) payable by corporate entities in India on taxable profits under Indian Income Tax Laws.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(d) Movement of Deferred Tax

Particulars	For the Year ended March 31, 2022 Opening Balance	Recognised in profit and Loss	Recognised in Other comprehensive income	Closing Balance
	Rupees	Rupees	Rupees	Rupees
Tax effect of items constituting deferred tax assets				
Property, Plant and Equipment	**2,60,839**	**(59,886)**	–	**2,00,953**
Employee Benefits	**97,912**	**(7,049)**	–	**90,863**
Expenses allowable on actual payment	**23,86,501**	**64,923**	–	**24,51,424**
Provisions	**6,92,964**	–	–	**6,92,964**
Gratutity Provision	**94,062**	**(2,77,392)**	**1,52,352**	**(30,978)**
Net Tax Asset (Liabilities)	**35,32,278**	**(2,79,404)**	**1,52,352**	**34,05,226**

Particulars	For the Year ended March 31, 2021 Opening Balance	Recognised in profit and Loss	Recognised in Other comprehensive income	Closing Balance
	Rupees	Rupees	Rupees	Rupees
Property, Plant and Equipment	**1,94,422**	**66,417**	–	**2,60,839**
Employee Benefits	**93,129**	**4,783**	–	**97,912**
Expenses allowable on actual payment	**22,72,626**	**1,13,875**	–	**23,86,501**
Provisions	**14,85,432**	**(7,92,468)**	–	**6,92,964**
Gratutity Provision	**69,895**	**1,43,732**	**(1,19,565)**	**94,062**
Net Tax Asset (Liabilities)	**41,15,504**	**(4,63,660)**	**(1,19,565)**	**35,32,278**

Note 26 - Earnings per Share

Particulars	**For the year ended March 31, 2022**	For the year ended March 31, 2021
	Rupees	Rupees
	Per Share	Per Share
Basic Earnings per share	**706.86**	806.37
Diluted Earnings per share	**706.86**	806.37
	706.86	806.37

Basic earnings per share

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

Particulars	**For the year ended March 31, 2022** Rupees	For the year ended March 31, 2021 Rupees
Profit for the year attributable to owners of the Company	**7,06,85,574**	8,06,37,442
Earning used in the calculation of basic and diluted earnings per share	**7,06,85,574**	8,06,37,442
Weighted average number of equity shares for the purposes of basic and diluted earnings per share (Face value per share Rs.10)	**1,00,000**	1,00,000
Earnings per share - Basic & Diluted	**706.86**	806.37

Note 27 - Financial Instruments

Capital management

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The company monitors capital on the basis of the carrying amount of equity presented on the face of the statement of financial position.

The company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

	31-Mar-22	31-Mar-21
Equity	**20,76,15,290**	22,64,76,775
Less : Cash and Bank Balances	**(14,01,16,530)**	(5,74,09,346)
	6,74,98,760	16,90,67,429

Categories of financial assets and financial liabilities

As at March 31, 2022	Amortised Costs**	FVTPL	FVOCI	Total
	Rupees	Rupees	Rupees	Rupees
Non-current Assets				
Trade Receivables	–	–	–	–
Other Financial Assets	–	–	–	–
– Non Derivative Financial Assets	**18,406**	–	–	**18,406**
– Loans and advances	**4,26,27,033**	–	–	**4,26,27,033**
Current Assets				
Investments	–	**3,75,243**	–	**3,75,243**
Trade Receivables	**2,60,23,524**	–	–	**2,60,23,524**
Cash and Cash Equivalents	**38,45,896**	–	–	**38,45,896**
Other Bank Balances	**13,62,70,634**	–	–	**13,62,70,634**
Loans and advances	–	–	–	–
Other Financial Assets				
– Non Derivative Financial Assets	**17,68,883**	–	–	**17,68,883**
Current Liabilities				
Trade Payables	**72,45,136**	–	–	**72,45,136**
Other Financial Liabilities				
– Non Derivative Financial Liabilities	**84,03,781**	–	–	**84,03,781**

As at March 31, 2021	Amortised Costs**	FVTPL	FVOCI	Total
	Rupees	Rupees	Rupees	Rupees
Non-current Assets				
Trade Receivables	–	–	–	–
Other Financial Assets				
– Non Derivative Financial Assets	1,90,32,355	–	–	1,90,32,355

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

	As at March 31, 2021			
	Amortised Costs**	FVTPL	FVOCI	Total
	Rupees	Rupees	Rupees	Rupees
Current Assets				
Investments	–	3,62,193	–	3,62,193
Trade Receivables	3,14,56,913	–	–	3,14,56,913
Cash and Cash Equivalents	27,64,323	–	–	27,64,323
Other Bank Balances	5,46,45,023	–	–	5,46,45,023
Loans and advances	11,75,00,000	–	–	11,75,00,000
Other Financial Assets				
– Non Derivative Financial Assets	50,96,091	–	–	50,96,091
Current Liabilities				
Trade Payables	80,51,797	–	–	80,51,797
Other Financial Liabilities				
– Non Derivative Financial Liabilities	71,48,364	–	–	71,48,364

** The Company considers that the carrying amount of these financial instruments recognised in the financials statements approximate their fair values.

Fair value of Investments

Investments represent investment by the Company in units of HDFC Cash Management Fund. The closing value at the end of each accounting period represents NAV as per HDFC Cash Management Fund and hence no separate fair valuation.

Financial Risk Management Framework

The Company's activities expose it to financial risks - credit risk and liquidity risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

CREDIT RISK

Credit risk management

(i) Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The company has only one client for whom the operation and maintenance services are rendered. The Company has reached a settlement with its customers and has a approved payment schedule in place and also revenue terms for the future period.

(ii) The Company has invested in units of HDFC Cash Management Fund which has the NAV of Rs. 3,75,243 as at the end of the reporting period(Previous year Rs. 3,62,193). HDFC has been regular in dividend payments and the credit risk on the investment is minimal.

The Company is not subject to any externally imposed capital requirements.

There is no change in estimation techniques or significant assumptions during the reporting period.

LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amounts disclosed in the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
	Rupees	Rupees	Rupees	Rupees
Non-derivative financial liabilities				
31-Mar-22				
Non-interest bearing	**1,56,48,917**	–	–	–
Total	**1,56,48,917**	–	–	–
31-Mar-21				
Non-interest bearing	1,52,00,161	–	–	–
Total	1,52,00,161	–	–	–

(iii) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
	Rupees	Rupees	Rupees	Rupees
Non-derivative financial assets				
31-Mar-22				
Non-interest bearing	**16,82,84,180**	–	–	**18,406**
Total	**16,82,84,180**	–	–	**18,406**
31-Mar-21				
Non-interest bearing	21,18,24,543	1,90,04,355	–	28,000
Total	21,18,24,543	1,90,04,355	–	28,000

Note 28 - Fair Value Measurement

Fair Valuation Techiques and Inputs used - recurring Items

Financial assets/ financial liabilities measured at Fair value	Fair value as at March 31, 2022	Fair value as at March 31, 2021	Fair value hierarchy	Valuation technique(s) and key input(s)
	Rupees	Rupees		
Financial assets				
Investments				
Mutual fund investments	**3,75,243**	3,62,193	Level -1	Net asset value published by HDFC Mutual Fund
Total financial assets	**3,75,243**	3,62,193		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 29 - Employee benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund aggregating Rs. 24,45,294 /- (2021 : Rs.22,17,790 /-) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets under perform compared to the government bonds discount rate, this will create or increase a deficit. The defined benefit plans hold a significant proportion of equity type assets, which are expected to outperform government bonds in the long-term while providing volatility and risk in the short-term.

As the plans mature, the Company intends to reduce the level of investment risk by investing more in assets that better match the liabilities.

However, the Company believes that due to the long-term nature of the plan liabilities and the strength of the supporting group, a level of continuing equity type investments is an appropriate element of the Company's long term strategy to manage the plans efficiently.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' bond holdings and interest rate hedging instruments.

Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increase in life expectancy will result in an increase in the plan's liabilities. This is particularly significant in the Company's defined benefit plans, where inflationary increases result in higher sensitivity to changes in life expectancy.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan particpants will increase the plan's liability.

Note: An entity shall disclose description of any plan amendments, curtailments and settlements.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation as at	
	31-Mar-22	31-Mar-21
Discount rate(s)	**7.20%**	6.80%
Expected rate(s) of salary increase	**8.00%**	8.00%
Expected rate of return on plan assets	**7.20%**	6.80%

Attrition rate

	Valuation as at	
Age (Years)	**31-Mar-22**	31-Mar-21
21 - 30	**10.00%**	10.00%
31 - 40	**5.00%**	5.00%
41 - 50	**3.00%**	3.00%
51 - 59	**1.00%**	1.00%

Defined benefit plans – as per actuarial valuation on March 31, 2022

Particulars	Funded Plan Gratuity **2022** Rupees	2021 Rupees
Amounts recognised in the Statement of Profit and Loss are as follows:		
1. Current service cost	**7,86,116**	7,66,174
2. Past Service Credit		
3. Interest on net defined benefit liability/ (asset)	**25,412**	19,022
Components of defined benefit costs recognised in profit or loss	**8,11,528**	7,85,196
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	**(18,467)**	(9,505)
Actuarial (gains) and losses arising from changes in financial assumptions	**(4,12,302)**	50,154
Actuarial (gains) and losses arising from changes in demographic assumptions	**–**	–
Actuarial (gains) and losses arising from experience adjustments	**(1,74,523)**	(5,15,677)
Change in asset ceiling, excluding amounts included in interest expenses	**–**	–
Components of defined benefit costs recognised in other comprehensive income	**(6,05,292)**	(4,75,028)
I. Net Asset/(Liability) recognised in the Balance Sheet as at March 31,		
1. Present value of defined benefit obligation as at March 31,	**98,40,497**	90,57,817
2. Fair value of plan assets as at March 31,	**99,63,571**	86,84,109
3. Surplus/(Deficit)	**1,23,074**	(3,73,708)
4. Amount not recognised due to asset limit	**–**	–
5. Current portion of the above	**–**	–
6. Non current portion of the above	**1,23,074**	(3,73,708)
II. Change in the obligation during the year ended March 31,		
1. Present value of defined benefit obligation at the beginning of the year	**90,57,817**	87,11,920
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	**–**	–
3. *Expenses Recognised in Profit and Loss Account*		
– Current Service Cost	**7,86,116**	7,66,174
– Past Service Cost	**–**	–
– Interest Expense (Income)	**6,05,601**	5,70,246
4. *Recognised in Other Comprehensive Income*		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Particulars	Funded Plan Gratuity 2022 Rupees	2021 Rupees
Remeasurement (gains) / losses		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	**–**	–
ii. Financial Assumptions	**(4,12,302)**	50,154
iii. Experience Adjustments	**(1,74,523)**	(5,15,677)
5. Benefit payments	**(22,212)**	(5,25,000)
6. Others (Specify)		
7. Present value of defined benefit obligation at the end of the year	**98,40,497**	90,57,817
III. Change in fair value of plan assets during the year ended March 31,		
1. Fair value of plan assets at the beginning of the year	**86,84,109**	84,34,228
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	**–**	–
3. Expenses Recognised in Profit and Loss Account		
– Expected return on plan assets	**5,80,189**	5,51,224
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
– Actual Return on plan assets in excess of the expected return	**18,467**	9,505
5. Contributions by employer (including benefit payments)	**7,03,018**	2,14,152
6. Benefit payments	**(22,212)**	(5,25,000)
7. Fair value of plan assets at the end of the year	**99,63,571**	86,84,109
IV. The Major categories of plan assets		
– Insurer managed funds (Non Quoted Value)	**99,63,571**	86,84,109

Notes:

The current service cost and net interest expenses for the year is included in the "Employee benefits expenses" line item in the statement of profit and loss.

The remeasurernent of the net defined benefit liability is Included-in other comprehensive income.

V The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption		Impact on defined benefit obligation: Increase in assumption	Decrease in assumption
Discount rate	2022	89,16,328	1,09,23,241
	2021	81,28,484	1,01,54,120
Salary growth rate	2022	1,09,03,898	89,14,731
	2021	1,01,30,110	81,30,085

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

VI Maturity profile of defined benefit obligation:

	2022	2021
Expected benefits for year 1	**5,80,670**	3,03,838
Expected benefits for year 2	**5,27,421**	5,54,493
Expected benefits for year 3	**19,47,180**	5,01,044
Expected benefits for year 4	**3,87,026**	14,52,865
Expected benefits for year 5	**2,80,700**	3,69,058
Expected benefits for year 6	**4,74,356**	2,62,190
Expected benefits for year 7	**7,71,560**	4,51,660
Expected benefits for year 8	**8,32,381**	7,52,953
Expected benefits for year 9	**11,59,103**	8,12,871
Expected benefits for year 10	**1,72,38,348**	1,70,65,681

VII Plan Assets

The fair value of Company's pension plan asset as of March 31, 2021 and 2020 category are as follows:

	2022	2021
Asset category:		
Cash and cash equivalents	**–**	–
Debt instruments (quoted)	**–**	–
Debt instruments (unquoted)	**–**	–
Equity instruments (quoted)	**–**	–
Deposits with Insurance companies	**99,63,571**	86,84,109
	99,63,571	86,84,109

The Company's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the Company compares actual returns for each asset category with published benchmarks.

The weighted average duration of the defined benefit obligation as at March 31, 2022 is 10.14 years (2021: 11.12 years)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

VIII. Experience Adjustments :

	Year ended 2022	2021	2020	2019	2018
	Gratuity				
1. Defined Benefit Obligation	98,40,497	90,57,817	87,11,920	73,66,597	66,84,418
2. Fair value of plan assets	99,63,571	86,84,109	84,34,228	78,78,790	73,74,778
3. Surplus/(Deficit)	1,23,074	(3,73,708)	(2,77,692)	5,12,193	6,90,360
4. Experience adjustment on plan liabilities [(Gain)/Loss]	(1,74,523)	(5,15,677)	(5,67,173)	(1,83,710)	(2,13,107)
5. Experience adjustment on plan assets [Gain/(Loss)]	(18,467)	(9,505)	11,077	54,216	(1,09,471)

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Note 30 - Related Party Transactions

Name of the related party	Relationship
Mahindra & Mahindra Limited	Ultimate Holding Company
Mahindra Lifespace Developers Limited	Parent of the Holding Company
Mahindra Infrastructure Developers Limited	Holding Company

Note: Relationships between a parent and its subsidiaries shall be disclosed irrespective of whether there have been transactions between them. An entity shall disclose the name of its parent and, if different, the ultimate controlling party. If neither the entity's parent nor the ultimate controlling party produces consolidated financial statements available for public use, the name of the next most senior parent that does so shall also be disclosed.

List of other related parties & relationships

Name of the related party	Relationship
Mahindra & Mahindra Financial Services Limited	Fellow subsidiary
Mahindra Rural Housing Finance Limited	Fellow subsidiary
Mahindra Engineering Chemical Private Limited	Fellow subsidiary

Details of transaction between the Company and its related parties are disclosed below:

Nature of transactions with Related Parties	Mahindra & Mahindra Limited	Mahindra & Mahindra Financial Services Limited	Mahindra Infrastructure Developers Limited	Mahindra Rural Housing Finance Limited	Mahindra Engineering Chemical Private Limited	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Loan to related party	–	4,26,27,033	–	–	–	4,26,27,033
	(–)	(–)	(–)	(–)	(–)	–
Repayment of loan by related party	–	3,75,00,000	–	8,00,00,000	–	11,75,00,000
	(–)	(5,00,00,000)	(–)	(–)	(–)	(5,00,00,000)
Interest on loan to related party	–	27,88,041	–	54,54,248	–	82,42,289
	(–)	(30,89,898)	–	(63,05,102)	(–)	(93,95,000)
Dividend paid	–	–	8,90,99,100	–	–	8,90,99,100
	(–)	(–)	(25,73,97,400)	(–)	(–)	(25,73,97,400)
Professional Charges	3,78,000	–	–	–	–	3,78,000
	(17,15,117)	(–)	(–)	(–)	(–)	(17,15,117)
Safety Consumables	–	–	–	–	–	–
	(–)	(–)	(–)	(–)	(19,050)	(19,050)
Software expenses	6,83,032	–	–	–	–	6,83,032
	(6,26,013)	(–)	(–)	(–)	(–)	(6,26,013)
Training Fee	–	–	–	–	–	–
	(35,304)	(–)	(–)	(–)	(–)	(35,304)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Nature of Balances with Related Parties	Mahindra & Mahindra Limited	Mahindra & Mahindra Financial Services Limited	Mahindra Infrastructure Developers Limited	Mahindra Rural Housing Finance Limited	Mahindra Engineering Chemical Private Limited	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Trade payables	3,78,000	–	–	–	–	3,78,000
	(3,09,400)	(–)	(–)	(–)	(–)	(3,09,400)
Loan to related party	–	4,26,27,033	–	–	–	4,26,27,033
	(–)	(3,75,00,000)	(–)	(8,00,00,000)	(–)	(11,75,00,000)
Interest Accrued on Loan to related party	–	1,72,166	–	–	–	1,72,166
	(–)	(27,89,962)	–	(8,00,821)	(–)	(35,90,783)

Note:
Previous year's figures are in brackets.
Trade payables to related parties represent dues on account of services rendered and do not contain guarantee transactions.

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 31 - Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers" :

	Particular	For the year ended March 31, 2022	For the year ended March 31, 2021
1	Details of revenue from contract with customer recognised by the Company, net of indirect taxes in its statement of Profit and loss.		
	Rendering of Services	**22,18,91,258**	22,54,92,601
2	Impairment loss on trade receivables recognised / (written back) in the Statement of profit and loss based on evaluation under Ind AS 109	**–**	(4,29,157)

3 **Disaggregate Revenue**

Particular	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue based on market or customer type		
Government / bodies established by Government	**22,18,91,258**	22,54,92,601
Other than Government	**–**	–
	22,18,91,258	22,54,92,601
Revenue based on its geographical location		
Within India	**22,18,91,258**	22,54,92,601
Overseas locations	**–**	–
	22,18,91,258	22,54,92,601
Revenue based on its timing of recognition		
Point in time	**–**	–
Over a period of time	**22,18,91,258**	22,54,92,601
	22,18,91,258	22,54,92,601

4 **Reconciliation of revenue from contract with customer**

Particular	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from contract with customer as per the contract price	**22,18,91,258**	22,54,92,601
Adjustments made to contract price on account of :-		
Discounts / Rebates / Incentives	**–**	–
Sales Returns / Reversals	**–**	–
Deferment of revenue	**–**	–

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Particular	For the year ended March 31, 2022	For the year ended March 31, 2021
Changes in estimates of variable consideration	–	–
Recognition of revenue from contract liability out of opening balance of contract liability	–	–
Any other adjustments	–	–
Revenue from contract with customer as per the statement of Profit and Loss	**22,18,91,258**	22,54,92,601

5 **Breakup of Revenue into contracts entered in previous year and in current year**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from PO/ contract / agreement entered into previous year	**22,18,91,258**	22,54,92,601
Revenue from New PO/ contract / agreement entered into current year	–	–
Total Revenue recognised during the period	**22,18,91,258**	22,54,92,601

Note 32 - Details of Dues to Micro And Small Enterprises

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current		
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal	**25,774**	27,199
Interest	–	–
b) The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year	–	–
Principal	–	–
Interest	–	–
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified	–	–
d) The amount of interest accrued and remaining unpaid at the end of the year	–	–
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006	–	–

This information has been determined to the extent such parties have been identified on the basis intimation received from the “suppliers” regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

Note 33 - Disclosure under Section 186(4) of the Companies Act, 2013:

Name	Nature	Opening Balance	Given during the year (Rs.)	Repaid during the year (Rs.)	Closing Balance (Rs.)	Period	Rate of Interest	Purpose
Mahindra & Mahindra Financial Services Limited	Loan	3,75,00,000	4,26,27,033	3,75,00,000	4,26,27,033	04.03.2022 to 04.03.2024	**5.85%**	**Business**
Mahindra Rural Housing Finance Limited	Loan	8,00,00,000	–	8,00,00,000	–	–	–	–

Note 34 - Corporate Social Responsibility

(a) Gross amount required to be spent by the company during the year - Rs.21,00,000

(b) Amount spent during the year on (give categories):

Particulars	Amount spent	Amount yet to be paid	Total Amount
Plantation of Trees	19,00,000	–	**19,00,000**
Environment Project - Green Army Family Workshops	2,00,000	–	**2,00,000**
Total	**21,00,000**	**–**	**21,00,000**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 35 - Ratios

a) Current Ratio

Particulars	March 31, 2022	March 31, 2021
	Amount	Amount
Current Assets (A)	**16,99,66,548**	21,30,00,427
Current Liabilities (B)	**3,77,63,227**	3,70,67,442
Ratio (A / B)	**4.50**	5.75

b) Debt Equity Ratio

Particulars	March 31, 2022	March 31, 2021
	Amount	Amount
Net Debt (A)	**(11,40,93,006)**	(5,74,09,346)
Equity (B)	**20,76,15,290**	22,64,76,775
Debt Equity Ratio (A / B)	**(0.55)**	(0.25)

c) Debt Service Coverage Ratio (DSCR)

Particulars	March 31, 2022	March 31, 2021
	Amount	Amount
PBT	**9,52,30,272**	10,80,91,102
Depreciation	**15,89,890**	21,52,876
Interest (Charged to P&L)	**86,724**	–
EBDITA (A)	**9,69,06,886**	11,02,43,978
Debt		
Current maturities of long term debt	**–**	–
Long term borrowings	**–**	–
Short term borrowings	**–**	–
Interest expenses	**86,724**	–
Total Debt (B)	**86,724**	–
Debt Service Coverage Ratio (DSCR) (A / B)	**1,117**	–

d) Return of Equity

Particulars	March 31, 2022	March 31, 2021
	Amount	Amount
PAT	**7,06,85,574**	8,06,37,442
Networth	**20,76,15,290**	22,64,76,775
Ratio (A / B)	**0.34**	0.36

e) Trade Receivables turnover ratio

Particulars	March 31, 2022	March 31, 2021
	Amount	Amount
Turnover (A)	**22,18,91,258**	22,54,92,601
Trade Receivables (Average) (B)	**2,87,40,219**	2,84,43,178
Ratio (A / B)	**7.72**	7.93

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

f) Trade Payable turnover ratio

Particulars	March 31, 2022	March 31, 2021
	Amount	Amount
COGS (A)	**6,30,97,063**	6,41,78,988
Average Trade payable (B)	**76,48,467**	78,42,455
Ratio (A / B)	**8.25**	8.18

g) Net capital turnover ratio

Particulars	March 31, 2022	March 31, 2021
	Amount	Amount
Average Networth (A)	**21,70,46,033**	31,59,80,323
Turnover (B)	**22,18,91,258**	22,54,92,601
Ratio (A / B)	**0.98**	1.40

h) Net profit ratio

Particulars	March 31, 2022	March 31, 2021
	Amount	Amount
PAT (A)	**7,06,85,574**	8,06,37,442
Revenue (B)	**22,18,91,258**	22,54,92,601
Ratio (A / B)	**0.32**	0.36

i) Return on Capital employed

Particulars	March 31, 2022	March 31, 2021
	Amount	Amount
PAT (A)	**7,06,85,574**	8,06,37,442
Capital employed (B)	**–**	–
Net worth	**21,70,46,033**	31,59,80,323
Borrowing	**–**	–
	21,70,46,033	31,59,80,323
Ratio (A / B)	**0.33**	0.26

j) Return on investment

Particulars	March 31, 2022	March 31, 2021
	Amount	Amount
PAT (A)	**7,06,85,574**	8,06,37,442
Capital employed (B)	**21,70,46,033**	31,59,80,323
Ratio (A / B)	**0.33**	0.26

Note - 36

The Company's business activity is that of an Operations and Maintenance (O&M) Contractor. All activities of the company revolve around its main business. The company operates only in India. There is a single operating segment as defined by Indian Accounting Standard 108 "Operating Segments".

Note - 37

The Company has entered into operating lease arrangements for warehouse. The lease is cancellable and for a period of 11 months, renewable by mutual consent. Lease payments recognised in the Statement of Profit and loss is Rs. 3,30,000/- (Previous year 3,30,000/-)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note - 38

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable to the Company from April 1, 2022.

Note - 39

In respect of the current year, the Board at its meeting held on April 19, 2022 has recommended a dividend of Rs.1200 per share on equity shares of Rs.10 each subject to approval by shareholders at the Annual General Meeting. The same has not been included as a liability in these financial statements. The proposed equity dividend is payable to all shareholders on the Register of Members as on the date of approval by the shareholders (“the record date”). The total estimated equity dividend to be paid is Rs.12,00,00,000.”

Note - 40

The Company considered the impact of COVID-19 on the assumptions and estimates used in the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting periods presented and determined that there were no material adverse impacts on the financial statements of the Company for the year ended March 31, 2022.

Note - 41

Disclosure Of Struck Off Companies: The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Note - 42

No material events have occurred after the balance sheet date and upto the approval of the financial statements.

Note - 43

The financial statements were approved for issue by the Board of Directors on April 19th, 2022.

Note - 44

Previous year’s figures have been regrouped / reclassified wherever necessary to correspond with the current year’s classification / disclosure.

In terms of our report attached

For Deloitte Haskins & Sells Chartered Accountants LLP
Chartered Accountants

Ketan Vora
Partner

Place: Mumbai
Date : April 19th, 2022

For and on behalf of the Board of Directors

Arvind Subramanian Director

Vimal Agarwal Director

Place: Mumbai
Date : April 19th, 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
MAHINDRA WORLD CITY (MAHARASHTRA) LIMITED

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Mahindra World City (Maharashtra) Limited("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss and total comprehensive loss, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us,is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report and the related annexures, but does not include the Financial Statements and our Auditors' Report thereon.

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

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

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

Responsibilities of management 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. 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 financial 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 the 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 auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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, 2020("the Order"), issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure B", 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows 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.
   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
   (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
   (g) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, the provisions of Section 197 of the Act related to the managerial remuneration are not applicable.
   (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

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

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

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

(iv) (a) The management of the Company have represented to us respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us nothing has come to our notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

(v) The Company has not declared any dividend during the year.

For B. K. Khare and Co.
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852
UDIN: 22040852AHBMDU4432

Place: Mumbai
Date: April 12, 2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph (f)under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Mahindra World City (Maharashtra) Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.

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.

Meaning of Internal Financial Controls with reference to financial statements

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

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B. K. Khare and Co.
Chartered Accountants
Firm Registration No. 105102W

Anirudhha Joshi
Partner
Membership No. 040852
UDIN: 22040852AHBMDU4432
Place: Mumbai
Date: April 12, 2022

ANNEXURE B TO THE AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.]

(i) The Company does not have property, plant and equipment and intangible assets. Hence, reporting under Clause 3(i)(a) / (b) / (c) / (d) of the order is not applicable to the Company.

(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The Company does not have any inventory. Hence, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.

(iii) (a) According to the information and explanations given to us, the Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity. Hence reporting under Clause 3(iii)(a) to (e) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the investments made by the Company are not prejudicial to the interest of the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to loans granted, guarantees provided and investments made by the Company. The Company has not provided any security during the year to the parties covered under Sections 185 and 186 of the Act.

(v) According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly,the reporting under Clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services tax, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to usand on the basis of our examination of records of the Company, there are no statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at 31 March 2022, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.Accordingly,the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) According to the information and explanations given to us, the company has not raised any money by way of term loans during the year. Hence, reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and based on the audit procedures performed by us and on an overall examination of the Balance Sheet of the Company, we report that the Company has utilised funds raised on short-term basis aggregating to Rs. 5.39 crores for long-term purposes.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.

(b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company

(c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures, specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the reporting under Clause 3(xiii) of the Order is not applicable to the Company.

(xiv) The Company did not have an internal audit system for the period under audit.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us and the audit procedures performed by us, we report that the Group has 3 Core Investment Companies.

(xvii) In our opinion and according to the information and explanations given to us, the Company has incurred cash losses of Rs. 4.45 lakhs during the current financial year and Rs. 28.36 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, CSR is not applicable to the Company. Hence, reporting under Clause 3(xx) is not applicable to the Company.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852
UDIN: 22040852AHBMDU4432

Place: Mumbai
Date: April 12, 2022

BALANCE SHEET AS AT 31ST MARCH, 2022

(₹ in lakh)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
NON-CURRENT ASSETS			
(a) Financial Assets			
(i) Investments	4	**1,178.78**	1,178.78
SUB-TOTAL		**1,178.78**	1,178.78
CURRENT ASSETS			
(a) Financial Assets			
(i) Cash and Cash Equivalents	5	**1.19**	0.98
(b) Other Current Assets	6	**–**	–
SUB-TOTAL		**1.19**	0.98
TOTAL ASSETS		**1,179.97**	1,179.76
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	7	**117.04**	117.04
(b) Other Equity	8	**(1,169.52)**	(1,107.83)
SUB-TOTAL		**(1,052.48)**	(990.79)
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	9	**1,509.60**	1,494.60
(b) Provisions	10	**182.62**	182.62
SUB-TOTAL		**1,692.23**	1,677.23
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Trade Payables	11		
— total outstanding dues of micro enterprises and small		**–**	–
— total outstanding dues of trade payables other than micro enterprises and small enterprises		**8.96**	14.69
(ii) Other Financial Liabilities	12	**525.54**	474.01
(b) Other Current Liabilities	13	**5.73**	4.61
SUB-TOTAL		**540.22**	493.32
TOTAL		**1,179.97**	1,179.76

See accompanying notes forming part of the financial statements

In terms of our report attached

For B K Khare & Co.
Chartered Accoutants
Firm Registration No.105102W

Aniruddha Joshi
Partner
Membership No:040852

Place : Mumbai
Date : 12th April 2022

For and on behalf of the Board Directors

Parveen Mahtani
(DIN-05189797)

Vimal Agarwal
(DIN-07296320)

Place : Mumbai
Date : 12th April 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in lakh)

	Particulars	Note No.	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
I	Other Income		–	–
II	**Total Revenue (I)**		–	–
III	**EXPENSES**			
	(a) Finance costs	14	**57.25**	61.53
	(b) Other expenses	15	**4.45**	28.37
	Total Expenses (III)		**61.70**	89.90
	Profit/(loss) before exceptional items and tax (II - III)		**(61.70)**	(89.90)
IV	**Profit/(loss) before tax**		**(61.70)**	(89.90)
V	**Tax Expense**			
	(1) Current tax		–	–
	Total tax expense		–	–
VI	**Profit/(loss) after tax from continuing operations (IV-V)**		**(61.70)**	(89.90)
VII	**Profit/(loss) for the period**		**(61.70)**	(89.90)
VIII	**Earnings per equity share (for continuing operation):**			
	(1) Basic/Diluted	16	**(5.27)**	(7.68)

See accompanying notes forming part of the financial statements

In terms of our report attached

For B K Khare & Co.
Chartered Accoutants
Firm Registration No.105102W

Aniruddha Joshi
Partner
Membership No:040852

Place : Mumbai
Date : 12th April 2022

For and on behalf of the Board Directors

Parveen Mahtani
(DIN-05189797)

Vimal Agarwal
(DIN-07296320)

Place : Mumbai
Date : 12th April 2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in lakh)

Particulars	**For the Year ended 31st March, 2022**	For the Year ended 31st March, 2021
Cash flows from operating activities		
Profit before tax for the year	**(61.70)**	(89.90)
Adjustments for:		
Finance costs recognised in profit or loss	**57.25**	61.53
	(4.45)	(28.37)
Movements in working capital:		
(Increase)/decrease in other assets	**–**	15.27
Decrease in trade and other payables	**(5.73)**	(0.37)
(Decrease)/increase in other liabilities	**52.50**	54.74
Net cash generated by operating activities	**42.32**	41.28
Cash flows from investing activities		
Impairment of Investment during the year	**–**	12.28
Net cash (used in)/generated by investing activities	**–**	12.28
Cash flows from financing activities		
Inter Corproate Deposit Received	**15.00**	7.00
Interest paid on Inter Corporate Deposit	**(57.25)**	(61.53)
Net cash used in financing activities	**(42.25)**	(54.53)
Net increase in cash and cash equivalents	**0.21**	(0.98)
Cash and cash equivalents at the beginning of the year	**0.98**	1.96
Cash and cash equivalents at the end of the year	**1.19**	0.98

See accompanying notes forming part of the financial statements

In terms of our report attached

For B K Khare & Co.
Chartered Accoutants
Firm Registration No.105102W

Aniruddha Joshi
Partner
Membership No:040852

Place : Mumbai
Date : 12th April 2022

For and on behalf of the Board Directors

Parveen Mahtani
(DIN-05189797)

Vimal Agarwal
(DIN-07296320)

Place : Mumbai
Date : 12th April 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in lakh)

A. Equity share capital	
As at 31st March, 2021	117.04
Changes in equity share capital during the year	–
As at 31st March, 2022	**117.04**

a. Equity share capital

	Equity share capital (no. of Shares)
As at 31st March, 2021	**1,170,400**
Changes in equity share capital during the year	
Issue of equity shares	–
As at 31st March, 2022	**1,170,400**

B. Other Equity	**Retained earnings (₹ in lakh)**
Balance as at 31st March, 2020	**(1,017.93)**
Profit/(Loss) for the year	(89.90)
Other comprehensive income	–
Total comprehensive income	(89.90)
Balance as at 31st March, 2021	**(1,107.83)**
Profit/(Loss) for the year	(61.70)
Other comprehensive income	–
Total comprehensive income	(61.70)
Balance as at 31st March, 2022	**(1,169.52)**

See accompanying notes forming part of the financial statements

In terms of our report attached

For B K Khare & Co.
Chartered Accoutants
Firm Registration No.105102W

Aniruddha Joshi
Partner
Membership No:040852

Place : Mumbai
Date : 12th April 2022

For and on behalf of the Board Directors

Parveen Mahtani
(DIN-05189797)

Vimal Agarwal
(DIN-07296320)

Place : Mumbai
Date : 12th April 2022

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

1. Corporate information

Mahindra World City (Maharashtra) Limited ("the Company") is a public company incorporated in 2005 under the provisions of erstwhile Companies Act, 1956. The registered office of the Company is located at 5th Floor, Mahindra Towers, Dr. G.M. Bhosale Marg, P.K. Kurne Chowk, Worli, Mumbai – 400 018.

The Company is in the business of development of Multi product SEZ in Maharashtra as a joint venture with Maharashtra Industrial Development Corporation (MIDC).

The Company is subsidiary of Mahindra Lifespace Developers Limited, Mumbai, a company incorporated in India. The ultimate parent company is Mahindra & Mahindra Limited.

2. Significant Accounting Policies

2.1 Statement of compliance and Basis of preparation and presentation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016.

All assets and liabilities are classified as current if it is expected to realise or settle within 12 months after the Balance Sheet date.

The financial statements are presented in Indian Rupees (Rs.) which is also the Company's functional currency.

The financial statements were approved by the Board of Directors and authorised for issue on 12th April, 2022.

2.2 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use. The estimated useful lives, residual values, are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the statement of profit and loss.

Financial assets and Liabilities

2.3 Financial instruments

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

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

2.4 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

2.4.1 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowances at an amount equal to lifetime expected credit losses.

2.4.2 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

2.5 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.5.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.5.1.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at Fair value through profit and loss.

2.5.1.2 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

2.6 Revenue recognition

Revenue on account of sale of services is recognised under the completed service contract method to the extent it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Dividend income is recognised in the statement of profit and loss when the right to receive payment is established.

Interest Income is accounted for on time proportion basis.

2.7 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.7.1 Current tax

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

2.7.2 Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

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

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

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

2.7.3 Current and deferred tax for the year

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

2.7.4 Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

2.8 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.9 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) for the year is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Note No. 4 - Investments

Particulars	Face Value (₹)	As at 31st March, 2022		As at 31st March, 2021	
		Nos.	**(₹ in lakh)**	Nos.	(₹ in lakh)
A. Investments carried at cost or deemed cost					
I. Unquoted Investments (all fully paid)					
Investments in Equity Instruments					
– of associate					
Deep Mangal Developers Private Limited	10	**830**	**1,178.33**	830	1,178.33
Mahindra Construction Company Limited	10	**3000**	**0.30**	3,000	0.30
Moonshine Construction Private Limited	10	**10**	**0.00**	10	0.00
Mahindra Ugine Steel Limited	1	**1**	**0.00**	1	0.00
Rathna Bhoomi Enterprises Private Limited	10	**500**	**0.05**	500	0.05

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Particulars	Face Value (₹)	As at 31st March, 2022 Nos.	As at 31st March, 2022 (₹ in lakh)	As at 31st March, 2021 Nos.	As at 31st March, 2021 (₹ in lakh)
Investments in Preference shares					
– of associate					
7% Non-cumulative redeemable participating optionally convertible preference shares in Moonshine Construction Private Limited	10	**4479**	**0.45**	4,479	0.45
Rathna Bhoomi Enterprises Private Limited	10	**119250**	**11.93**	119,250	11.93
Prudential Management & Services Private Limited	1	**2**	**0.00**	2	0.00
MCCL	**1**	**1**	**0.00**	1	0.00
Investments in Preference shares					
– of associate					
10% Non-cumulative redeemable participating optionally convertible preference shares in Ratna Bhoomi Enterprise Private Limited (Refer Notes below)			**–**		–
Total Impairment value for investment carried at cost			**(12.28)**		(12.28)
			1,178.78		1,178.78

Note No. 5 - Cash and Bank Balances

(₹ in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash and cash equivalents		
(a) Balances with banks	**1.19**	0.98
Total Cash and cash equivalent	**1.19**	0.98

Note No. 6 - Other assets

(₹ in lakh)

Particulars	As at 31st March, 2022 Current	As at 31st March, 2021 Current
(a) Advances other than capital advances		
(i) Balances with government authorities	**–**	10.87
(ii) Other advances	**–**	4.40
Less: Provision	**–**	(15.27)
Total Other Current Assets	**–**	–

Note No. 7 - Equity Share Capital

Particulars	As at 31st March, 2022 No. of shares	As at 31st March, 2022 (₹ in lakh)	As at 31st March, 2021 No. of shares	As at 31st March, 2021 (₹ in lakh)
Authorised:				
Equity shares of Rs.10 each with voting rights	**1,500,000**	**150.00**	1,500,000	150.00
Issued, Subscribed and Fully Paid: Equity shares of Rs.10 each with voting rights	**1,170,400**	**117.04**	1,170,400	117.04
Total	**1,170,400**	**117.04**	1,170,400	117.04

Note No. 7a - Equity Share Capital (Contd.)

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars		Opening Balance	Fresh Issue	Other Changes (give details)	Closing Balance
Year Ended 31st March 2021					
	No. of Shares	**1,170,400**	–	–	**1,170,400**
	Amount	**117.04**	–	–	**117.04**
Year Ended 31st March 2022					
	No. of Shares	**1,170,400**	–	–	**1,170,400**
	Amount	**117.04**	–	–	**117.04**

(ii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: (details of fully paid and partly paid also needs to be given)

No. of Shares

Particulars	Equity Shares with Voting rights	Equity Shares with Differential Voting rights	Others
As at 31st March 2021			
Mahindra Lifespace Developers Ltd.	1,170,400	–	–
As at 31st March 2022			
Mahindra Lifespace Developers Ltd.	**1,170,400**	**–**	**–**

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/ Name of shareholder	As at 31st March, 2022 Number of shares held	As at 31st March, 2022 % holding in that class of shares	As at 31st March, 2021 Number of shares held	As at 31st March, 2021 % holding in that class of shares
Equity shares with voting rights				
Mahindra Lifespace Developers Ltd.	**1,170,400**	**100.00%**	1,170,400	100.00%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(iv) Details of shareholdings by the Promoter's of the Company

Class of shares/ Name of shareholder	As at 31st March, 2022 Number of shares held	% holding in that class of shares	As at 31st March, 2021 Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mahindra Lifespace Developers Ltd.	**1,170,400**	**100.00%**	1,170,400	100.00%

Note No. 8 - Other equity

(₹ in lakh)

Particulars	Retained earnings	Total
Balance at 31st March, 2020	(1,017.93)	(1,017.93)
Profit/(Loss) for the year	(89.90)	(89.90)
Other comprehensive income	–	–
Total comprehensive income	(1,107.83)	(1,107.83)
Balance at 31st March, 2021	(1,107.83)	(1,107.83)
Profit/(Loss) for the year	(61.70)	(61.70)
Other comprehensive income	–	–
Total comprehensive income	(1,169.52)	(1,169.52)
Balance at 31st March 2022	**(1,169.52)**	**(1,169.52)**

Note No. 9 - Non-Current Borrowings

(₹ in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Measured at amortised cost		
A. Secured Borrowings:	**–**	–
Total Secured Borrowings	**–**	–
B. Unsecured Borrowings - at amortised Cost		
(a) Other Loans	**742.15**	742.15
(b) Loans from related parties*	**749.70**	734.70
(c) Other Loans		
Redeemable preference share capital	**17.75**	17.75
Total Unsecured Borrowings	**1,509.60**	1,494.60
Total Borrowings	**1,509.60**	1,494.60

* The Unsecured Inter Corporate Deposit taken from Mahindra Lifespace Developers Limited @ 7.70% p.a.

Note No. 10 - Provisions

(₹ in lakh)

Particulars	As at 31st March, 2022 Non-Current	As at 31st March, 2021 Non-Current
(a) Other Provisions		
1 Other Provisions	**182.62**	182.62
Total Provisions	**182.62**	182.62

Note No. 11 - Trade Payables

(₹ in lakh)

Particulars	As at 31st March, 2022 Current	As at 31st March, 2021 Current
Trade payable - total outstanding Dues of micro enterprises and small enterprises	**–**	–
Trade payable - total outstanding dues of trade payables other than micro enterprises and small enterprises	**8.96**	14.69
Total trade payables	**8.96**	14.69

11 a - Ageing for trade payable from the due date of payment for each of the category is as follows:

(₹ in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled	**–**	–
Not Due	**–**	–
0 months - 1 year	**0.34**	0.34
1-2 Years	**0.34**	–
2-3 years	**–**	–
More than 3 years	**8.28**	14.35
	8.96	14.69

Note No. 12 - Other Financial Liabilities

(₹ in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Other Financial Liabilities Measured at Amortised Cost		
Current		
(a) Interest accrued but not due on borrowings	**525.54**	474.01
Total other financial liabilities	**525.54**	474.01

Note No. 13 - Other Liabilities

(₹ in lakh)

Particulars	As at 31st March, 2022 Current	As at 31st March, 2021 Current
a. Statutory dues		
– taxes payable (other than income taxes)	**5.73**	4.61
Total other liabilities	**5.73**	4.61

Note No. 14 - Finance Cost

(₹ in lakh)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
(a) Interest expense	**57.25**	61.53
Total finance costs	**57.25**	61.53

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Note No. 15 - Other Expenses

(₹ in lakh)

Particulars			For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
(a)	Auditors remuneration and out-of-pocket expenses			
	(i)	As Auditors	**0.34**	0.34
(b)	Other expenses			
	(i)	Legal and other professional costs	**4.00**	0.27
	(ii)	Miscellaneous expenses	**0.10**	15.48
	(iii)	Provision for impairment of investment	**–**	12.28
Total Other Expenses			**4.45**	28.37

Note No. 16 - Earnings per Share

(₹ in lakh)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Basic Earnings per share		
From continuing operations	**(5.27)**	(7.68)
From discontinuing operations	**–**	–
Total basic earnings per share	**(5.27)**	(7.68)

(₹ in lakh)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Diluted Earnings per share	**(5.27)**	(7.68)
From continuing operations	**–**	–
From discontinuing operations	**–**	–
Total diluted earnings per share	**(5.27)**	(7.68)

(₹ in lakh)

	For the Year ended 31st March, 2022	For the year ended 31st March 2021
Profit / (loss) for the year attributable to owners of the Company	**(6,169,727)**	(8,990,127)
Less: Preference dividend and tax thereon	**–**	–
Profit / (loss) for the year used in the calculation of basic earnings per share	**(6,169,727)**	(8,990,127)
Profit for the year on discontinued operations used in the calculation of basic earnings per share from discontinued operations	**–**	–
Profits used in the calculation of basic earnings per share from continuing operations	**(6,169,727)**	(8,990,127)
Weighted average number of equity shares	**1170400**	1170400
Earnings per share from continuing operations - Basic	**(5.27)**	(7.68)

Note No. 17 - Related Party Transactions

Related party disclosures as required by Ind As 24 "Related Party Disclosures" are given below.

Enterprises Controlling the Company

(₹ in lakh)

1	Mahindra & Mahindra Limited	Ultimate Holding Company
2	Mahindra Lifespace Developers Limited	Holding Company

Particulars	For the year ended	Ultimate Holding Company	Holding Company	Associate
Nature of transactions with Related Parties				
Interest on ICD	**31-Mar-22**	–	**57.25**	–
	31-Mar-21	–	61.53	–
Inter Corporate Deposits received	**31-Mar-22**	–	**15.00**	–
	31-Mar-21	–	7.00	–
Nature of Balances with Related Parties	**Balances as on**	**Ultimate Holding Company**	**Holding Company**	**Associate**
Payables	**31-Mar-22**	–	**1,249.93**	–
	31-Mar-21	–	1,189.13	–

Notes:

1. During the year, there were no amounts required to be written off or written back in respect of debts due from or to related parties.
2. Related parties have been identified by the Management.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Note No. 18 - The accounts of the Company for the year ended 31st March, 2022 have been prepared on the basis of going concern.

Note No. 19 - Financial Instruments

Capital management

The Company's capital management objectives are:

– safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders

– maintain an optimal capital structure to reduce the cost of capital

The Management of the Company monitors the capital structure using debt ratio which is determined as the proportion of total debt to total equity.

Debt ratios are as follows:	**As at 31st March, 2022**	As at 31st March, 2021
Debt (A)	**1,509.60**	1,494.60
Equity (B)	**(1,052.48)**	(990.79)
Debt Ratio (A/B)	**(1.43)**	(1.51)

Categories of financial assets and financial liabilities

The following tables shows the carrying amount and fair values of financial assets and financial liabilities by category:

			As at 31st March, 2022	
	Amortised Costs	**FVTPL**	**FVOCI**	**Total**
Non-current Assets				
Investments	**1,178.78**	–	–	**1,178.78**
Current Assets				
Investments	–	–	–	–
Trade Receivables	–	–	–	–
Other Bank Balances	**1.19**	–	–	**1.19**
Non-current Liabilities				
Borrowings	**1,509.60**	–	–	**1,509.60**
Current Liabilities				
Borrowings	–	–	–	–
Trade Payables	**8.96**	–	–	**8.96**
Other Financial Liabilities		–	–	
- Non Derivative Financial Liabilities	**525.54**	–	–	**525.54**

			As at 31st March, 2021	
	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	1,178.78	–	–	1,178.78
Current Assets				
Investments	–	–	–	–
Trade Receivables	–	–	–	–
Other Bank Balances	0.98	–	–	0.98
Non-current Liabilities				
Borrowings	1,494.60	–	–	1,494.60
Current Liabilities				
Borrowings	–	–	–	–
Trade Payables	14.69	–	–	14.69
Other Financial Liabilities		–	–	
- Non Derivative Financial Liabilities	474.01	–	–	474.01

[II] Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A) CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to credit risk.

B) LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years
Non-derivative financial liabilities			
31-Mar-22			
Long Term Borrowing			
Long Term Borrowing - Principal	–	–	**1,509.60**
Non-derivative financial liabilities			
31-Mar-21			
Long Term Borrowing			
Long Term Borrowing - Principal	–	–	1,494.60

C) MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

There has been no significant changes to the Company's exposure to market risk or the methods in which they are managed or measured.

(i) Currency Risk

The Company undertakes transactions denominated only in Indian Rupees and hence, there is no risk of foreign exchange fluctuations.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have exposure to the risk of changes in market interest rates.

(iii) Other price risk

The Company does not have other price risk.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

20 - Financial Ratios

(₹ in lakh)

	Particulars	Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	% Variance
a)	Current Ratio	Current Assets	Current Liabilities	**0.0022**	0.0020	10.51%
b)	Debt Equity Ratio	Net Debt	Equity	**(1.43)**	(1.51)	-4.92%
c)	Debt Service Coverage Ratio (DSCR)	EBDITA	Total Debt	**(0.04)**	(0.06)	-31.84%
d)	Return of Equity	PAT	Networth	**0.06**	0.09	-35.40%
e)	Inventory Turnover ratio	COGS	Average Inventory	**NA**	NA	NA
f)	Trade Receivables turnover ratio	Turnover	Trade Receivables (Average)	**NA**	NA	NA
g)	Trade Payable turnover ratio	COGS	Average Trade payable	**NA**	NA	NA
h)	Net capital turnover ratio,	Average Networth	Turnover	**NA**	NA	NA
i)	Net profit ratio	PAT	Revenue	**NA**	NA	NA
j)	Return on Capital employed	PAT	Borrowing	**(0.13)**	(0.08)	55.90%
k)	Return on investment	PAT	Capital employed	**(0.13)**	(0.08)	55.90%

21 - Additional regulatory information

Details of benami property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

22. Events after the reporting period

No material events have occurred after the Balance Sheet date and upto the approval of the Financial Statements

23. Previous Year Figures

The figures for the previous year have been regrouped wherever necessary to confirm to current year's grouping.

Note No. 24 - Fair Value Measurement

Fair Valuation Techniques and Inputs used

This section explains the judgment and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in financials statements. To provide an indication about the reliability of the inputs used in determining the fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standards.

Fair value of financial assets and financial liabilities that are not measured at fair value

(₹ in lakh)

	31-Mar-22		31-Mar-21	
Particulars	**Carrying amount**	**Fair value**	Carrying amount	Fair value
Financial assets				
Financial assets carried at Amortised Cost				
– cash & cash equivalents	**1.19**	–	0.98	–
	1.19	–	0.98	–
Financial liabilities				
Financial liabilities held at amortised cost				
– loans from other entities	**1,509.60**		1,494.60	
– other financial liabilities	**525.54**	–	474.01	–
Total	**2,035.14**	–	1,968.62	–

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in lakh)

Financial assets/ financial liabilities	Fair value hierarchy as at 31st March, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
(i) Trade receivables	–	–	–	–
(ii) Cash and cash equivalents	–	1.19	–	1.19
Total	–	1.19	–	1.19
Financial liabilities				
Financial liabilities held at amortised cost				
(i) Long term loan		1,509.60		1,509.60
(ii) Other financial liabilities	–	525.54	–	525.54
Total	–	2,035.14	–	2,035.14

(₹ in lakh)

Financial assets/ financial liabilities	Fair value hierarchy as at 31st March, 2021			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
(i) Cash and cash equivalents	–	0.98	–	0.98
Total	–	0.98	–	0.98
Financial liabilities				
Financial liabilities held at amortised cost				
(i) Long term loan	–	1,494.60		1,494.60
(ii) Other financial liabilities	–	474.01	–	474.01
Total	–	1,968.61	–	1,968.61

Note: The Group has not disclosed the fair value for financial instruments, because the carrying amounts are a reasonable approximation of fair value.

See accompanying notes forming part of the financial statements

In terms of our report attached

For B K Khare & Co.
Chartered Accoutants
Firm Registration No.105102W

Aniruddha Joshi
Partner
Membership No:040852

Place : Mumbai
Date : 12th April 2022

For and on behalf of the Board Directors

Parveen Mahtani
(DIN-05189797)

Vimal Agarwal
(DIN-07296320)

Place : Mumbai
Date : 12th April 2022

Form AOC-I

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Account) Rules, 2014.

Statement containing salient features of financial statements of Subsidiary / Associates / Joint Ventures.

Part"A" Subsidiaries

(₹ in lakh)

Name of Subsidiary	Deep Mangal Developers Private Limited	Mahindra Knowledge Park (Mohali) Limited
Reporting period of the subsidiary concerned, if different from the holding company's reporting period	NA	NA
Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
Share capital	1.01	0.001
Reserves & surplus	(83.10)	(124.61)
Total assets	329.00	0.03
Total Liabilities	411.09	124.63
Investments	0.05	–
Turnover	–	–
Profit/(Loss) before taxation	(34.73)	(0.50)
Provision for taxation	–	–
Profit/(Loss) after taxation	(34.73)	(0.50)
Proposed Dividend	–	–
% of shareholding	82.42%	99.97%

Notes:
1. No subsidiaries which are yet to commence operations.
2. No subsidiaries which have been liquidated or sold during the year.

Part "B"Associates/ Joint Ventures

(₹ in lakh)

	ASSOCIATES	
Name of Associates/Joint Ventures	**Moonshine Construction Private Limited**	**Rathna Bhoomi Enterprises Private Limited**
Latest Audited Balance Sheet Date	31-Mar-22	31-Mar-22
Shares of Associate/Joint Venture held by the Company on the year end:		
No. of Equity shares held	20	500
Extent of Holding (%)	49.12%	50.00%
Amount of investment in Associates	100	5,000
Description of how there is significant influence	#	#
Reason why the Associate/joint venture is not consolidated	*	*
Networth attributable to Shareholding as per latest audited Balance sheet	(32.37)	(26.91)
Profit/(Loss) for the year:		
i) Considered in Consolidation	–	–
ii) Not Considered in Consolidation	**(0.64)**	**(0.53)**

Notes:

1. No Associates/Joint Venture which are yet to commence operations.
2. No Associates/Joint Venture which have been liquidated or sold during the year.
3. Pursuant to Rule 6 of the Companies (Accounts) Rules, 2014, the Company is exempted from preparation of consolidated financial statements

Significant influence due of % of share holding.
* No control based on control assessment

See accompanying notes forming part of the financial statements

In terms of our report attached

For B K Khare & Co.
Chartered Accoutants
Firm Registration No.105102W

Aniruddha Joshi
Partner
Membership No:040852

Place : Mumbai
Date : 12th April 2022

For and on behalf of the Board Directors

Parveen Mahtani
(DIN-05189797)

Vimal Agarwal
(DIN-07296320)

Place : Mumbai
Date : 12th April 2022

INDEPENDENT AUDITORS' REPORT

To the Members of Deep Mangal Developers Private Limited

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of **M/s. Deep Mangal Developers Private Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2022 and the Statement of Profit and Loss and statement of cash flows for the year then ended, the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('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, 2022 and its Loss and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing (SAs) specified under Section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in *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 of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the financial statements

The Company's Board of Directors are 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 and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies

Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "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 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

      i. The Company does not have any pending litigations which would impact its financial statements;

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

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

For **M/s. R. Jaitlia & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No. : 049818
UDIN: 22049818AIXOUM6591

Place: Mumbai
Date: 12th April, 2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

i. In respect of its Property, Plant and Equipment:

As per information provided by the Company to us, it does not have any Property, Plant and Equipment and intangible assets as on 31st March, 2022. Accordingly, paragraph 3 (i) (a), (b), (d) and (e) of the Order is not applicable to the Company.

As per information provided by the Company to us, the Company is having a Land as immovable properties and the title deed of such property is on the name of the Company.

ii. In respect of its inventories:

The Company is having inventory and work in progress; and it is physically verified by its management at reasonable intervals. Procedures adopted by the Company's management for physical verification of inventories are adequate and reasonable according to the size and nature of its business.

As per information and explanation provided by the Company to us, the Company does not have any sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, paragraph 3 (ii) (b) of the Order is not applicable to the Company.

iii. Loan given by Company:

As per information and explanation provided by the Company to us, during the year the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3 (ii) (b) of the Order is not applicable to the Company.

iv. Loan to Directors and investment by company:

According to the Information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 inrespect of grant of loans, Investments made, guarantees given and security as applicable.

v. Deposits:

The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there-under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. Cost Records:

The maintenance of cost records as specified under subsection (1) of the section 148 of the Act are not applicable to the Company and hence relevant provisions of the Order is not applicable.

vii. Statutory Dues:

According to information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including income tax, Goods and Service Tax (GST), and other material statutory dues, as applicable, with the appropriate authorities and there are no outstanding as on the last day of the financial year concerned for a period of more than six months. The Company has no obligation under Provident Fund and Employee State Insurance Rules. Payment of Sales Tax, Wealth Tax, Customs and Excise duties and Value Added Tax is not applicable to the Company during the Audit period.

There are no dues of income tax, sales tax, wealth tax, service tax, GST outstanding for more than 6 months at the end of Audit period.

viii. Previously unrecorded income

As per information and explanation provided by the Company to us, there are no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the Audit period in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence relevant provision of the Order is not applicable.

ix. Repayment of Loans:

According to the records of the company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of any loans since it has not availed of any loans from any bank nor has borrowed from any financial institution. The Company has also not issued any debentures as at the balance sheet date.

x. Utilization of IPO & further public offer:

The Company has not raised any money by way of initial public offer or further public offer and no term loan was raised by the Company.

xi. Reporting of Fraud:

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

xii. Nidhi Company:

The Company is not a Nidhi Company and so relevant clause is not applicable.

xiii. Related Party Transaction:

During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us all transactions with related parties have been disclosed in the financial statements.

xiv. Internal Audit system:

The Company is the private limited company and does not have turnover of two hundred crore rupees or more during the preceding financial year; or outstanding loans or borrowings from banks or public financial institutions exceeding one hundred crore rupees or more at any point of time during the preceding financial year. Hence Section 138 is not applicable and so relevant clause is not applicable.

xv. Non – cash Transactions:

The Company has not entered into any non-cash transactions with directors or persons connected with any director of the Company.

xvi. Register under RBI Act 1934:

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

xvii. Cash losses:

The Company has incurred cash losses in the Audit Period Rs. 34,72,571 and in the immediately preceding financial year (FY 2020-21) Rs. 10,65,142.

xviii. Resignation of statutory auditors:

During the year no statutory auditors' has been resigned, hence relevant clause is not applicable.

xix. Material uncertainty on meeting liabilities:

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. Transfer to fund specified under Schedule VII of Companies Act, 2013:

There were no amounts which were required to be transferred to fund specified under Schedule VII of Companies Act, 2013.

The company does not have net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year. Hence Section 135 is not applicable and so relevant clause is not applicable.

xxi. Qualifications or adverse auditor remarks in other group companies:

Clause (xxi) of the Order is not applicable to the Company since report is of Standalone Financial Statement.

For **M/s. R. Jaitlia & Co.**
Chartered Accountants
FRN 117246W

Mukesh Maheshwari
Partner
Membership No. : 049818
UDIN: 22049818AIXOUM6591

Place: Mumbai
Date: 12th April, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DEEP MANGAL DEVELOPERS PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of **Deep Mangal Developers Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M/s. R. Jaitlia & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No. : 049818
UDIN: 22049818AIXOUM6591

Place: Mumbai
Date: 12th April, 2022

BALANCE SHEET AS AT 31ST MARCH, 2022

(₹ in lakh)

	Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I	**ASSETS**			
	Non-current assets			
	(a) Financial Assets			
	(i) Investments	4	**0.05**	0.05
	Total Non-current assets (I)		**0.05**	0.05
	Current assets			
	(a) Inventories	5	**309.93**	296.84
	(b) Financial Assets			
	(i) Cash and Cash Equivalents	6	**0.59**	0.35
	(ii) Bank balances other than (i) above	6	**–**	6.00
	(c) Other Current Assets	7	**18.43**	12.50
	Total current assets (II)		**328.95**	315.68
	TOTAL ASSETS		**329.00**	315.73
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity Share Capital	8	**1.01**	1.01
	(b) Other Equity	9	**(83.10)**	(48.37)
	Total equity (III)		**(82.09)**	(47.36)
	Liabilities			
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	10	**194.19**	158.19
	(ii) Trade payables	11		
	– total outstanding dues of micro enterprises and small enterprises		**–**	–
	– total outstanding dues of trade payables other than micro enterprises and small enterprises		**187.65**	186.56
	(iii) Other Financial Liabilities	12	**27.74**	15.39
	(b) Other Current Liabilities	13	**1.51**	2.96
	Total current liabilities (IV)		**411.09**	363.10
	TOTAL		**329.00**	315.73

See accompanying notes forming part of the financial statements

In terms of our report attached.

For R Jaitlia & Co.
Chartered Accountants
Firm Registration No:117246W

Mukesh Maheshwari
Partner
Membership No:049818

Place: Mumbai
Date: 12th April 2022

For and on behalf of the Board of Directors

Parveen Mahtani
Director (DIN-05189797)

Vimal Agarwal
Director (DIN-07296320)

Place: Mumbai
Date: 12th April 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in lakh)

	Particulars	Note No.	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
I	Revenue from operations		**–**	–
II	Other Income	14	**0.00**	0.00
III	**Total Revenue (I + II)**		**0.00**	0.00
IV	**EXPENSES**			
	(a) Finance cost	15	**13.72**	10.12
	(b) Other expenses	16	**21.00**	0.53
	Total Expenses (IV)		**34.73**	10.65
	Loss before tax (III-IV)		**(34.73)**	(10.65)
V	**Loss for the period (IV)**		**(34.73)**	(10.65)
VI	**Other comprehensive income**		**–**	–
VII	**Total comprehensive income for the period (V +VI)**		**(34.73)**	(10.65)
VIII	**Earnings per equity share**			
	Basic/Diluted	17	**(3,448.43)**	(1,057.74)

See accompanying notes forming part of the financial statements

In terms of our report attached.

For R Jaitlia & Co.
Chartered Accountants
Firm Registration No:117246W

Mukesh Maheshwari
Partner
Membership No:049818

Place: Mumbai
Date: 12th April 2022

For and on behalf of the Board of Directors

Parveen Mahtani
Director (DIN-05189797)

Vimal Agarwal
Director (DIN-07296320)

Place: Mumbai
Date: 12th April 2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in lakh)

Particulars	Note No.	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Cash flows from operating activities			
Profit before tax for the year	PL	**(34.73)**	(10.65)
Adjustments for:			
Finance costs recognised in profit or loss		**13.72**	10.12
		(21.00)	(0.53)
Movements in working capital:			
(Increase)/decrease in inventories		**(13.09)**	(41.33)
(Increase)/decrease in other assets		**(5.93)**	(6.07)
(Increase)/decrease in trade and other payables		**1.09**	3.85
(Decrease)/increase in other liabilities		**10.90**	9.85
Net cash generated by operating activities		**(28.03)**	(34.23)
Cash flows from investing activities			
Net cash (used in)/generated by investing activities		**–**	–
Cash flows from financing activities			
Proceeds from borrowings (ICDs)		**36.00**	48.50
Interest paid on Inter Corporate Deposit		**(13.72)**	(10.12)
Net cash used in financing activities		**22.28**	38.38
Net increase in cash and cash equivalents		**(5.76)**	4.15
Cash and cash equivalents at the beginning of the year		**6.35**	2.20
		0.59	6.35
Cash and cash equivalents at the end of the year		**0.59**	6.35

See accompanying notes forming part of the financial statements

In terms of our report attached.

For R Jaitlia & Co.
Chartered Accountants
Firm Registration No:117246W

Mukesh Maheshwari
Partner
Membership No:049818

Place: Mumbai
Date: 12th April 2022

For and on behalf of the Board of Directors

Parveen Mahtani
Director (DIN-05189797)

Vimal Agarwal
Director (DIN-07296320)

Place: Mumbai
Date: 12th April 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

A. Equity share capital

	(₹ in lakh)
As at 31st March, 2021	**1.01**
Changes in equity share capital during the year	–
As at 31st March, 2022	**1.01**

a. Equity share capital

	Equity share capital (no. of shares)
Balance at 31st March, 2021	**1,007**
Changes in equity share capital during the year	
Issue of equity shares	–
Balance at 31st March, 2022	**1,007**

Other equity

Particulars	Retained earnings
Balance at 31st March, 2020	**(37.72)**
Profit/(Loss) for the year	(10.65)
Other comprehensive income	–
Total comprehensive income	(10.65)
Balance at 31st March, 2021	**(48.37)**
Profit/(Loss) for the year	(34.73)
Other comprehensive income	–
Total comprehensive income	(34.73)
Balance at 31st March, 2022	**(83.10)**

See accompanying notes forming part of the financial statements

In terms of our report attached.

For R Jaitlia & Co.
Chartered Accountants
Firm Registration No:117246W

Mukesh Maheshwari
Partner
Membership No:049818

Place: Mumbai
Date: 12th April 2022

For and on behalf of the Board of Directors

Parveen Mahtani
Director (DIN-05189797)

Vimal Agarwal
Director (DIN-07296320)

Place: Mumbai
Date: 12th April 2022

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Corporate information

Deep Mangal Developers Private Limited ("the Company") is Private Limited company incorporated in India on 25 May, 1989 under the provisions of erstwhile Companies Act, 1956. The registered office of the Company is located at 5th Floor, Mahindra Towers, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai – 400 018.

The Company is subsidiary of Mahindra Lifespace Developers Limited, Mumbai, a company incorporated in India. The ultimate parent company is Mahindra & Mahindra Limited.

2. Significant Accounting Policies

2.1 Statement of compliance and Basis of preparation and presentation

The Standalone Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 (the Act) and other relevant provision of the act. The aforesaid financial statements have been approved by the Company's Board of Directors and authorised for issue in the meeting held on 12th April, 2022.

2.2 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use. The estimated useful lives, residual values, are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the statement of profit and loss.

Depreciation on assets (other than impaired assets) is calculated on straight line method at the rate of 11.31% p.a. which is based on useful life of about 9 years determined on the basis of technical evaluation by the Management of the Company and is different from the useful life of 15 years indicated in part C of schedule II to the Companies Act, 2013.

2.3 Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement profit and loss.

2.4 Inventories

Inventories are stated at the lower of cost and net realisable value, whichever is lower. Cost is arrived at on first-in-first-out basis and includes overheads on absorption basis, where appropriate.

Financial assets and Liabilities

2.5 Financial instruments

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

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

2.6 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

2.6.1 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowances at an amount equal to lifetime expected credit losses.

2.6.2 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

2.7 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.7.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.7.1.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at Fair value through profit and loss.

2.7.1.2 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

2.8 Revenue recognition

Revenue on account of sale of services is recognised under the completed service contract method to the extent it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

Dividend income is recognised in the statement of profit and loss when the right to receive payment is established.

Interest Income is accounted for on time proportion basis.

2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.9.1 Current tax

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

2.9.2 Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

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

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

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

2.9.3 Current and deferred tax for the year

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

2.9.4 Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

2.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.11 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/ (loss) for the year is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Note No. 4 - Investments

Particulars	**Face Value (Rs.)**	**As at 31st March, 2022 Nos.**	**(₹ in lakh)**	As at 31st March, 2021 Nos.	(₹ in lakh)
A. Investments carried at cost or deemed cost					
I. Unquoted Investments (all fully paid)					
Investments in Preference shares					
- of associate					
7% Non-cumulative redeemable participating optionally convertible preference shares in Moonshine Construction Private Limited	**10**	**500**	**0.05**	500	0.05
Moonshine Construction Private Limited	**10**	**1**	**0.00**	1	0.00
Total Investments			**0.05**		0.05

Note No. 5 - Inventories

(₹ in lakh)

Particulars	**As at 31st March, 2022**	As at 31st March, 2021
a) Work-in-progress	**309.93**	296.84
Total Inventories (at lower of cost and net realisable value)	**309.93**	296.84

Statement of changes in Inventory

Particulars	**As at 31st March, 2022**	As at 31st March, 2021
Opening inventory (WIP)	**296.84**	255.52
Additions during the year:		
Survey fees	**–**	23.40
Professional fees	**–**	–
Legal expenses	**–**	5.18
Security expenses	**13.09**	12.74
Closing Inventory (WIP)	**309.93**	296.84

Note No. 6 - Cash and Bank Balances

(₹ in lakh)

Particulars	**As at 31st March, 2022**	As at 31st March, 2021
Cash and cash equivalents		
a) Balances with banks	**0.59**	0.35
b) Bank balances other than (i) above	**–**	6.00
Total Cash and cash equivalent	**0.59**	6.35

Note No. 7 - Other Current Assets

(₹ in lakh)

Particulars	**As at 31st March, 2022**	As at 31st March, 2021
(a) GST Input Tax Credit	**17.70**	11.77
(b) GST Reverse charge	**0.73**	0.73
(c) Interest accrued on Fixed Deposit	**–**	0.00
Total Other Current Assets	**18.43**	12.50

Note No. 8 - Equity Share Capital

Particulars	**As at 31st March, 2022 Number of shares**	**(₹ in lakh)**	As at 31st March, 2021 Number of shares	(₹ in lakh)
(a) Authorised				
Equity shares of ₹ 100 each with voting rights	**5,000**	**5.00**	5,000	5.00
	5,000	**5.00**	5,000	5.00
(b) Issued, subscribed and fully paid-up shares				
Equity shares of ₹ 100 each	**1,007**	**1.01**	1,007	1.01
	1,007	**1.01**	1,007	1.01

Notes (i) to (iv) below

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	**As at 31st March, 2022 Number of shares**	**(₹ in lakh)**	As at 31st March, 2021 Number of shares	(₹ in lakh)
Opening balance	**1,007**	**1.01**	1,007	1.01
Add: Issued during the year	**–**	**–**	–	–
Closing balance	**1,007**	**1.01**	1,007	1.01

The company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.

(ii) Terms/rights attached to equity shares:

The Company is having only one class of equity shares having par value of Rs. 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 the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the amount paid up on equity shares held by the shareholders.

(iii) Details of shares held by the holding company:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Mahindra Lifespace Developers Limited, the holding company	**177**	177

(iv) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	% holding	Number of shares	% holding
Mahindra Lifespace Developers Limited the holding company,	**177**	**17.58%**	177	17.58%
Mahindra World City (Maharashtra) Limited	**830**	**82.42%**	830	82.42%

(v) Details of shareholdings by the Promoter's of the Company:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	% holding	Number of shares	% holding
Equity shares with voting rights Mahindra World City (Maharashtra) Limited	**830**	**82.42%**	830	82.42%

Note No. 9 - Other Equity

(₹ in lakh)

Particulars	Retained earnings	Total
Balance at 31st March, 2020	**(37.72)**	**(37.72)**
Profit/(Loss) for the year	(10.65)	(10.65)
Other comprehensive income	–	–
Total comprehensive income	(10.65)	(10.65)
Balance at 31st March, 2021	**(48.37)**	**(48.37)**
Profit/(Loss) for the year	(34.73)	(34.73)
Other comprehensive income	–	–
Total comprehensive income	(34.73)	(34.73)
Balance at 31st March 2022	**(83.10)**	**(83.10)**

Note No. 10 - Current Borrowings

(₹ in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
A. Unsecured Borrowings		
(i) Loans from related parties*	**194.14**	158.14
(ii) Deposits	**0.05**	0.05
Total Unsecured Borrowings	**194.19**	158.19
Total Current Borrowings	**194.19**	158.19

* The Unsecured Inter Corporate Deposit taken from Mahindra Lifespace Developers Limited

Note No. 11 - Trade Payables

(₹ in lakh)

Particulars	As at 31st March, 2022 Current	As at 31st March, 2021 Current
Trade payable -total outstanding Dues of micro enterprises and small enterprises	**–**	–
Trade payable - Other than micro and small enterprises	**187.65**	186.56
Total Trade Payables	**187.65**	186.56

11 a - Ageing for trade payable from the due date of payment for each of the category is as follows

(₹ in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled	**–**	**–**
Not Due	**–**	**–**
0 months - 1 year	**7.05**	**5.96**
1-2 Years	**–**	**–**
2-3 years	**–**	**–**
More than 3 years	**180.60**	**180.60**
Total	**187.65**	186.56

Note No. 12 - Other Financial Liabilities

(₹ in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Other Financial Liabilities Measured at Amortised Cost		
Current		
(i) Interest accrued but not due on Borrowings	**27.74**	15.39
Total other financial liabilities	**27.74**	15.39

Note No. 13 - Other Liabilities

(₹ in lakh)

Particulars	As at 31st March, 2022 Current	As at 31st March, 2021 Current
a. Statutory dues		
– taxes payable	**1.51**	2.96
b. Other Current Liablities	**–**	–
Total Other Liabilities	**1.51**	2.96

Note No. 14 - Other Income

(₹ in lakh)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
(a) Interest Income on Fixed Deposit	**0.00**	0.00
Total Other Income	**0.00**	0.00

Note No. 15 - Finance Cost

(₹ in lakh)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
(a) Interest expense	**13.72**	10.12
Total Finance Cost	**13.72**	10.12

Note No. 16 - Other Expenses

(₹ in lakh)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
(a) Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	**0.15**	0.15
(b) Other expenses		
(i) Legal and other professional costs	**20.76**	0.27
(ii) Others	**0.09**	0.11
Total Other Expenses	**21.00**	0.53

Note No. 17 - Earnings Per Share

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a) Net loss for the period	**(3,472,571)**	(1,065,142)
(b) Nominal value per share	**10**	10
(c) Weighted average number of equity shares (No.)	**1,007**	1,007
(d) Basic/Diluted earning per share	**(3,448.43)**	(1,057.74)

Note No. 18 - Related Party Transactions

Related party disclosures as required by Ind As 24 "Related Party Disclosures" are given below.

Enterprises Controlling the Company

1	Mahindra & Mahindra Limited	Ultimate Holding Company
2	Mahindra Lifespace Developers Limited	Holding Company

(₹ in lakh)

Particulars	For the year ended	Ultimate Holding Company	Holding Company
Nature of transactions with Related Parties			
Inter Corproate Deposits received	**31–Mar–22**	–	**36.00**
	31–Mar–21	–	48.50
Interest on ICD	**31–Mar–22**	–	**13.72**
	31–Mar–21	–	10.12

Nature of Balances with Related Parties	Balances as on	Ultimate Holding Company	Holding Company
Payables (ICD and Interest on ICD)	**31–Mar–22**	–	**221.88**
	31–Mar–21	–	173.53
Other payables	**31–Mar–22**	–	**180.60**
	31–Mar–21	–	180.60

1. During the year, there were no amounts required to be written off or written back in respect of debts due from or to related parties.
2. Related parties have been identified by the Management.

Note No. 19

The accounts of the Company for the year ended 31st March, 2022 have been prepared on the basis of going concern.

Note No. 20 - Financial Instruments

[I] Capital management

The Company's capital management objectives is to ensure the Company's ability to continue as a going concern

The capital structure of the Company consists of equity.

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

[II] Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A) CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primary trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

(i) Financial instruments and cash deposits:

Credit risk from balances with banks is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with bank.

B) LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

(₹ in lakh)

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total	Carrying Value
Non-derivative financial						
31st March, 2022						
Other financial laibilities	**12.35**	**15.39**	**–**	**–**	**27.74**	**27.74**
Total	**12.35**	**15.39**	**–**	**–**	**27.74**	**27.74**
31st March, 2021						
Other financial liabilities	9.36	6.03	–	–	15.39	15.39
Total	**9.36**	**6.03**	**–**	**–**	**15.39**	**15.39**

(iii) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(₹ in lakh)

Particulars	Less than 1 Year	1-3 Years	3-4 Years	5 years and above	Total	Carrying Value
Non-derivative financial assets						
31st March, 2022						
Non interest rate bearing	**0.59**	**–**	**–**	**–**	**0.59**	**0.59**
Fixed interest rate bearing	**–**	**–**	**–**	**–**	**–**	**–**
Total	**0.59**	**–**	**–**	**–**	**0.59**	**0.59**
31st March, 2021						
Non interest rate bearing	0.35	–	–	–	0.35	0.35
Fixed interest rate bearing	–	–	–	–	–	–
Total	**0.35**	**–**	**–**	**–**	**0.35**	**0.35**

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

There has been no significant changes to the Company's exposure to market risk or the methods in which they are managed or measured.

(i) Currency Risk

The Company undertakes transactions denominated only in Indian Rupees and hence, there is no risk of foreign exchnage fluctuations.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have significant exposure to the risk of changes in market interest rates.

(iii) Other price risk

The Company does not have significant other price risk.

Note No. 21 - Fair Value Measurement

Fair Valuation Techniques and Inputs used

This section explains the judgment and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in financials statements. To provide an indication about the reliability of the inputs used in determining the fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standards.

Level 1 Inputs:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions. If an entity holds a position in a single asset or liability and the asset or liability is traded in an active market, the fair value of the asset or liability is measured within Level 1 as the product of the quoted price for the individual asset or liability and the quantity held by the entity, even if the market's normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Level 2 Inputs:

Level 2 inputs are inputs other than quoted market prices included within level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:

– quoted prices for similar assets or liabilities in active markets
– quoted prices for identical or similar assets or liabilities in markets that are not active
– inputs other than quoted prices that are observable for the asset or liability, for example-interest rates and yield curves observable at commonly quoted interval
– implied volatilities
– credit spreads
– inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market-corroborated inputs')

Level 3 Inputs:

Level 3 inputs inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

(₹ in lakh)

Financial assets/financial liabilities	Fair value hierarchy as at 31st March, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
(i) Cash and cash equivalents	–	0.59	–	0.59
(ii) Other financial assets	–	0.05	–	0.05
Total	–	**0.64**	–	**0.64**
Financial liabilities				
Financial liabilities held at amortised cost				
(i) Borrowings	–	194.19	–	194.19
(ii) Trade payables	–	187.65	–	187.65
(iii) Other Financial Liabilities	–	27.74	–	27.74
Total	–	**409.58**	–	**409.58**

(₹ in lakh)

Financial assets/financial liabilities	Fair value hierarchy as at 31st March, 2021			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
(i) Cash and cash equivalents	–	0.35	–	0.35
(ii) Other financial assets	–	0.05	–	0.05
Total	–	**0.40**	–	**0.40**
Financial liabilities				
Financial liabilities held at amortised cost				
(i) Borrowings	–	158.19	–	158.19
(ii) Trade payables	–	186.56	–	186.56
(iii) Other Financial Liabilities	–	15.39	–	15.39
Total	–	**360.14**	–	**360.14**

22 - Financial Ratios

						(₹ in lakh)
	Particulars	Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	% Variance
a)	Current Ratio	Current Assets	Current Liabilities	0.8002	0.8694	-7.96%
b)	Debt Equity Ratio	Net Debt	Equity	(2.37)	(3.34)	-29.17%
c)	Debt Service Coverage Ratio (DSCR)	EBDITA	Total Debt	(0.16)	(0.06)	154.99%
d)	Return of Equity	PAT	Networth	0.02	0.01	47.69%
e)	Inventory Turnover ratio	COGS	Average Inventory	NA	NA	NA
f)	Trade Receivables turnover ratio	Turnover	Trade Receiavables (Average)	NA	NA	NA
g)	Trade Payable turnover ratio	COGS	Average Trade payable	NA	NA	NA
h)	Net capital turnover ratio,	Average Networth	Turnover	NA	NA	NA
i)	Net profit ratio	PAT	Revenue	NA	NA	NA
j)	Return on Capital employed	PAT	Borrowing	(0.0040)	(0.0030)	32.73%
k)	Return on investment	PAT	Capital employed	(0.0040)	(0.0030)	32.73%

23 - Additional regulatory information

Details of benami property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

24. Events after the reporting period

No material events have occurred after the Balance Sheet date and upto the approval of the Financial Statements

25. Previous Year Figures

The figures for the previous year have been regrouped wherever necessary to confirm to current year's grouping.

In terms of our report attached.

For R Jaitlia & Co.

Chartered Accountants

Firm Registration No:117246W

Mukesh Maheshwari

Partner

Membership No:049818

Place: Mumbai

Date: 12th April 2022

For and on behalf of the Board of Directors

Parveen Mahtani

Director (DIN-05189797)

Vimal Agarwal

Director (DIN-07296320)

Place: Mumbai

Date: 12th April 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KNOWLEDGE TOWNSHIP LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Financial Statements of Knowledge Township Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss and total comprehensive loss, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report and the related annexures, but does not include the Financial Statements and our Auditors' Report thereon.

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

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

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

Responsibilities of management 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. 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 financial 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 the 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 auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows 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.
   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
   (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A." Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
   (g) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, the provisions of Section 197 of the Act related to the managerial remuneration are not applicable.
   (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
   (i) The Company does not have any pending litigations which would impact its financial position;
   (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
   (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
   (iv) (a) The management of the Company have represented to us respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
   (b) The management of the Company has represented to us that, to the best of their knowledge and belief, no funds have been received by the Company or any of such subsidiaries from any person(s) or entity(ies) including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
   (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us nothing has come to our notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
   (v) The Company has not declared any dividend during the year.

For **B. K. Khare and Co.**
Chartered Accountants
Firm Registration No.: 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
UDIN: 2240852AHBLWF6876
Place: Mumbai,
Date: April 12, 2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.]

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Knowledge Township Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.

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.

Meaning of Internal Financial Controls with reference to financial statements

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

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B. K. Khare and Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852
UDIN: 2240852AHBLWF6876
Place: Mumbai,
Date: April 12, 2022

ANNEXURE B TO THE AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

(i) The Company does not have property, plant and equipment and intangible assets. Hence, reporting under Clause 3(i)(a) / (b) / (c) / (d) of the order is not applicable to the Company.

(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are at reasonable intervals and no material discrepancies were noticed on physical verification.

(b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.

(iii) According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services tax, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at 31 March 2022, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any loans or other borrowings during the year. Accordingly, the reporting under Clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) According to the information and explanations given to us, the company has not raised any money by way of term loans during the year. Hence, reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long-term purposes as at the Balance Sheet date.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.

(b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company

(c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures, specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the reporting under Clause 3(xiii) of the Order is not applicable to the Company.

(xiv) The Company did not have an internal audit system for the period under audit.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us and the audit procedures performed by us, we report that the Group has Three Core Investment Companies.

(xvii) In our opinion and according to the information and explanations given to us, the Company has incurred cash losses of Rs. 21.40 lakhs during the current financial year and Rs. 3.44 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, CSR is not applicable to the Company. Hence, reporting under Clause 3(xx) is not applicable to the Company.

For **B. K. Khare and Co.**
Chartered Accountants
Firm's Registration No.: 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
UDIN: 2240852AHBLWF6876
Place: Mumbai,
Date: April 12, 2022

BALANCE SHEET AS AT 31 MARCH 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
I ASSETS			
NON-CURRENT ASSETS			
(i) Property, Plant and Equipment	3	**–**	–
(ii) Deferred Tax Assets (Net)	4	**–**	–
SUB-TOTAL		**–**	–
CURRENT ASSETS			
(i) Inventories	5	**3,579.75**	3,159.30
(ii) Financial Assets			
(a) Cash and Cash Equivalents	6	**21.67**	59.36
(b) Loans & Advances	7	**–**	12.72
(iii) Other Current Assets	8	**3,558.57**	3,249.85
SUB-TOTAL		**7,159.99**	6,481.23
TOTAL ASSETS		**7,159.99**	6,481.23
II EQUITY AND LIABILITIES			
1 EQUITY			
(i) Equity Share Capital	9	**4,907.17**	4,907.17
(ii) Other Equity	10	**585.76**	607.15
SUB-TOTAL		**5,492.93**	5,514.32
LIABILITIES			
2 NON-CURRENT LIABILITIES			
(i) Financial Liabilities			
(a) Borrowings	11	**771.00**	771.00
(ii) Deferred Tax Liabilities (Net)		**–**	–
SUB-TOTAL		**771.00**	771.00
3 CURRENT LIABILITIES			
(i) Financial Liabilities			
(a) Borrowings	12	**472.00**	172.00
(b) Trade Payables	13		
- Total Outstanding Dues of Micro Enterpirses and Small Enterprises		**–**	–
- Total Outstanding Dues of Creditors Other than Micro Enterpirses and Small Enterprises		**2.10**	2.45
(c) Other Financial Liabilities	14	**420.04**	13.01
(ii) Other Current Liabilities	15	**1.92**	–
(iii) Current Tax Liabilities (Net)		**–**	8.45
SUB-TOTAL		**896.06**	195.91
TOTAL		**7,159.99**	6,481.23
Significant Accounting Policies	2		

The accompanying notes 1 to 26 are an integral part of the Financial Statements

In terms of our report attached.

For B.K.Khare & Co

Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852

Place: Mumbai
Date: 12 April, 2022

For and on behalf of the Board of Directors of Knowledge Township Ltd.

Parveen Mahtani
Director
DIN: 05189797

Rajaram Pai
Director
DIN: 07553119

Yadunath Dhuri
Company Secretary
Membership No. 040852

Ritesh Tilve
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

(₹ in Lakhs)

Particulars	**Note No.**	**Year ended 31 March 2022**	Year ended 31 March 2021
I INCOME			
(a) Revenue from Operation		–	–
(b) Other Income	16	–	0.41
Total Income (a+b)		–	0.41
II EXPENSES			
(a) Cost of Projects	17	–	–
(b) Depreciation and amortisation expense	3	–	–
(c) Other expenses	18	**21.39**	3.58
Total Expenses (a+b)		**21.39**	3.58
III Profit/(loss) before tax (I-II)		**(21.39)**	(3.17)
IV Tax Expense			
(a) Current tax	4	–	–
(b) Deferred tax	4	–	1.30
Total tax expense		–	1.30
V Loss after tax (III-IV)		**(21.39)**	(4.48)
VI Other comprehensive Income / (Loss)		–	–
VII Total comprehensive Income / (loss) for the year (V + VI)		**(21.39)**	(4.48)
VIII Earnings per equity share (for continuing operation):			
(a) Basic Rs. Per share	19	**(0.04)**	(0.01)
(b) Diluted Rs. Per share	19	**(0.04)**	(0.01)
Significant Accounting Policies	2		

The accompanying notes 1 to 26 are an integral part of the Financial Statements

In terms of our report attached.

For B.K.Khare & Co

Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
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Membership No. 040852

Place: Mumbai
Date: 12 April, 2022

For and on behalf of the Board of Directors of Knowledge Township Ltd.

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Company Secretary

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Ritesh Tilve
Chief Financial Officer

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

(₹ in Lakhs)

	Particulars	Note No.	Year ended 31 March 2022	Year ended 31 March 2021
A	**Cash flows from operating activities**			
	Profit before tax for the year		**(21.39)**	(3.18)
	Adjustments for:			
	Interest Income		**–**	(0.26)
	Operating Loss before working capital changes		**(21.39)**	(3.44)
	Movements in working capital:			
	Increase in short term loans and advances		**(295.98)**	(42.03)
	Increase in inventories		**(13.42)**	(12.00)
	(Decrease)/increase in other liabilities		**(6.90)**	8.06
	Cash used in operations		**(337.69)**	(49.41)
	Income taxes paid		**–**	(0.15)
	Net cash used in operating activities		**(337.69)**	(49.55)
B	**Cash flows from investing activities**			
	Interest received		**–**	0.26
	Net cash (used in)/generated by investing activities		**–**	0.26
C	**Cash flows from financing activities**			
	Proceeds from borrowings		**300.00**	100.00
	Net cash used in financing activities		**300.00**	100.00
	Net increase in cash and cash equivalents		**(37.69)**	50.71
	Cash and cash equivalents at the beginning of the year		**59.36**	8.65
	Cash and cash equivalents at the end of the year		**21.67**	59.36
	Significant Accounting Policies	2		

The accompanying notes 1 to 26 are an integral part of the Financial Statements

Notes:

(a) The above cash flow statement has been prepared under the "Indirect Method" as set out in "Indian Accounting Statdards (IND AS) 7- Statement of Cash Flows"

(b) Also refer note no. 6 - Cash & Cash Equivalents

In terms of our report attached.

For B.K.Khare & Co

Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852

Place: Mumbai
Date: 12 April, 2022

For and on behalf of the Board of Directors of Knowledge Township Ltd.

Parveen Mahtani
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Company Secretary

Membership No. 040852

Ritesh Tilve
Chief Financial Officer

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

A. Equity share capital

(₹ in Lakhs)

Particulars	**As at 31st March, 2022**	As at 31st March, 2021
Balance at the Beginning of the year	**4,907.17**	2,100.00
Add: Shares Issue during the year (Refer Note 9)	**–**	2,807.17
Balance at the end of the year	**4,907.17**	**4,907.17**

B. Other Equity

(₹ in Lakhs)

Particulars	Other Equity		
	Securities Premium Reserve	**Retained Earnings**	**Total**
Opening Balance as on April 01, 2020	–	263.54	263.54
Loss for the year	–	(4.48)	(4.48)
Other Comprehensive Income / (Loss)		–	–
Total Comprehensive Loss for the year	–	(4.48)	(4.48)
Issue of Shares at premium (Refer Note 9)	348.09	–	348.09
Balance as at March 31, 2021	**348.09**	**259.06**	**607.15**
Loss for the year	–	(21.39)	(21.39)
Other Comprehensive Income / (Loss)	–	–	–
Total Comprehensive Loss for the year	–	(21.39)	(21.39)
Balance as at March 31, 2022	**348.09**	**237.67**	**585.76**

Significant Accounting Policies (Refer Note 2)

The accompanying notes 1 to 26 are an integral part of the Financial Statements

In terms of our report attached.

For B.K.Khare & Co

Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852

Place: Mumbai
Date: 12 April, 2022

For and on behalf of the Board of Directors of Knowledge Township Ltd.

Parveen Mahtani
Director
DIN: 05189797

Rajaram Pai
Director
DIN: 07553119

Yadunath Dhuri
Company Secretary

Ritesh Tilve
Chief Financial Officer

Membership No. 040852

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General Information

The company was incorporated on August 16, 2007 and is engaged in the business of development of Knowledge City in Pune, Maharashtra. Its parent and ultimate holding company is Mahindra Lifespace Developers Ltd.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

2. Significant Accounting Policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Ind-AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.4 Revenue recognition

2.4.1 Revenue from Projects

The Company develops and sells residential and commercial properties. Revenue from contracts is recognized when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognized at a point in time when the legal title has passed to the customer and the development of the property is completed. The revenue is measured at the transaction price agreed under the contract.

The Company invoices the customers for construction contracts based on achieving a series of performance-related milestones. For certain contracts involving the sale of property under development, the Company offers deferred payment schemes to its customers. The Company adjusts the transaction price for the effects of the significant financing component.

2.4.2 Revenue from Sale of land and other rights

Revenue from Sale of land and other rights is generally a single performance obligation and the Company has determined that this is satisfied at the point in time when control transfers as per the terms of the contract entered into with the buyers, which generally are with the firmity of the sale contracts/agreements. The determination of transfer of control did not change upon the adoption of Ind AS 115.

2.4.3 Contract Costs

Costs to obtain contracts (“Contract costs”) relate to fees paid for obtaining property sales contracts. Such costs are recognized as assets when incurred and amortized upon recognition of revenue from the related property sale contract.

2.4.4 Dividend and interest income

Dividend income from investment in mutual funds is recognized when the unit holder’s right to receive payment has been established (if it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.6 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.6.1 Current tax

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

2.6.2 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

2.6.3 Current and deferred tax for the year

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

2.7 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties during construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recognized to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

2.8 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than it carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.'

2.9 Inventories

Inventories are stated at the lower of cost and net realizable value. The cost of construction material is determined based on weighted average method. Construction Work-in-Progress includes cost of land, premium for development rights, construction costs and allocated interest & manpower costs and expenses incidental to the projects undertaken by the Company.

2.10 Provisions

Provisions are recognized when the Company has present obligation (legal or constructive) because of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.11 Employee benefits provisions

Employee benefits provisions are measured and classified into long term and short-term provisions based on Actuarial valuation as per IND AS-19 as on Balance sheet date.

2.12 Financial Instruments

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value .Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

2.13 Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2.13.1 *Classification of financial assets*

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognized in profit or loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

2.13.2 *Effective interest method*

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.

2.13.3 *Investments in equity instruments at FVTOCI*

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

2.13.4 *Financial assets at fair value through profit or loss (FVTPL)*

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortized cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortized cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL. A financial asset that meets the amortized cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognized when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.13.5 *Impairment of financial assets*

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognized in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.13.6 Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized based on the relative fair values of those parts.

2.13.7 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognized in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognized in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income.

2.14 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.14.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.14.2 Compound financial instruments

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognized as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognized in equity will be transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the convertible notes using the effective interest method.

2.14.2.1 Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.14.2.2 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognized in profit or loss. The remaining amount of change in the fair value of liability is always recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognized in profit or loss.

2.14.2.3 Financial Liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.14.2.4 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18.

2.14.2.5 Commitments to provide a loan at a below-market interest rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18.

2.14.2.6 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognized in profit or loss

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note No. 3 - Property, Plant and Equipment

(₹ in Lakhs)

Description of Assets	Office Equipment	Furniture and Fixtures	Total
I. Gross Carrying Amount			
Balance as at 1 April 2021	0.52	0.63	1.14
Additions	–	–	–
Disposals	–	–	–
Balance as at 31 March 2022	**0.52**	**0.63**	**1.14**
II. Accumulated depreciation and impairment			
Balance as at 1 April 2021	0.52	0.63	1.14
Depreciation expense for the year	–	–	–
Balance as at 31 March 2022	**0.52**	**0.63**	**1.14**
III. Net carrying amount (I-II)	–	–	–

Note No. 4 - Tax

(a) Current Tax and Deferred Tax

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Current Tax:		
In respect of current year	–	–
In respect of earlier years	–	–
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	–	1.30
In respect of earlier year origination and reversal of temporary differences	–	(1.30)
	–	–

Note No. 5 - Inventories

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Work-in-progress	**3579.75**	3,159.30
Total Inventories (at lower of cost and net realisable value)	**3579.75**	3,159.30

Note No. 6 - Cash and Bank Balances

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents		
(i) Balances with banks	**21.67**	9.10
(ii) Fixed Deposit with Bank (having maturity less than 3 month)	–	50.26
Total Cash and cash equivalent	**21.67**	59.36

Note No. 7 - Loans & Advances

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Other Loans		
- Unsecured, considered good	–	12.72
Total Loans & Advances	–	12.72

Note No. 8 - Other assets

(₹ in Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Other advances for purchase of Land	**3,558.44**	3,234.67
(Mainly represents advances given to Land Aggregator)		
(ii) Advance Payment for Income Tax	**0.13**	7.80
(iii) Others - Balance with Government Authorities	–	7.38
Total Other Assets	**3,558.57**	3,249.85

Note No. 9 - Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity shares of Rs 10 each with voting rights	**50,000,000**	**5,000.00**	50,000,000	5,000.00
Issued, Subscribed and Fully Paid:				
Equity shares of Rs 10 each with voting rights (Refer Note)	**49,071,664**	**4,907.17**	49,071,664	4,907.17
	49,071,664	**4,907.17**	49,071,664	4,907.17

Note

(i) Reconciliation of the number of shares and outstanding amount

(₹ in Lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Balance at the Beginning of the year	**49,071,664**	**4,907.17**	21,000,000	2,100.00
Add: Shares issued and subscribed during the year*	–	–	28,071,664	2,807.17
Balance at the end of the year	**49,071,664**	**4,907.17**	49,071,664	4,907.17

*During the year ended March 31, 2021 the Company has converted 2,637 numbers of "Optionally Convertible Debentures" (OCRD) of face value of Rs 1 lac each aggregating to Rs 2,637 lacs and outstanding Interest of Rs 518.25 lacs on Inter Corporate Deposit (ICD) into equity share at a price of Rs 11.24 per equity share. Accordingly a total of 28,071,644 equity shares were issued having face value of Rs 10 per equity share at a premium of Rs 1.24 per equity share. Consequently, Equity Share capital increased by Rs 2807.17 lacs and Securities Premium Reserve of Rs 348.09 lacs created.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Terms/ rights attached to equity shares with voting rights

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share and carry a right to dividends. The company declares and pays dividends in Indian rupees. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in Annual General Meeting.

(ii) Details of shares held by the holding company and its subsidiaries:

Particulars	Equity Shares with Voting rights
As at 31st March, 2022	
Mahindra Lifespace Developers Limited	49,071,664
As at 31st March, 2021	
Mahindra Lifespace Developers Limited	49,071,664

(iii) Details of shares held by each shareholder holding more than 5% shares

Class of shares / Name of shareholder	**As at 31 March 2022** Number of shares held	% holding	As at 31 March 2021 Number of shares held	% holding
Equity shares with voting rights				
Mahindra Lifespace Developers Limited	**49,071,664**	**100.00%**	49,071,664	100.00%

(iv) Details of shareholdings by the Promoter's of the Company

Class of shares / Name of shareholder	**As at 31 March 2022** Number of shares held	% holding	As at 31 March 2021 Number of shares held	% holding
Equity shares with voting rights				
Mahindra Lifespace Developers Limited	**49,071,664**	**100.00%**	49,071,664	100.00%

Note No. 10 - Other Equity

(₹ in Lakhs)

Particulars	Other Equity: Securities Premium Reserve	Other Equity: Retained Earnings	Total
Opening Balance as on April 01, 2020	–	263.54	**263.54**
Loss for the year	–	(4.48)	**(4.48)**
Issue of Shares at premium (Refer Note 9)	348.09	–	**348.09**
Balance as at March 31, 2021	348.09	259.06	**607.15**
Loss for the year	–	(21.39)	**(21.39)**
Balance as at March 31, 2022	348.09	237.67	**585.76**

Note No. 11 - Non-Current Borrowings

(₹ in Lakhs)

Particulars	**As at 31 March 2022**	As at 31 March 2021
A. Unsecured long term borrowings		
(a) Loans repayable on demand		
Optionally Convertible Redeemable Debentures from Related Parties- MLDL (Refer Note 22)	**771.00**	771.00
Total Non-Current Borrowings	**771.00**	771.00

Note No. 12 - Current Borrowings

(₹ in Lakhs)

Particulars	**As at 31 March 2022**	As at 31 March 2021
A. Unsecured short term borrowings		
(a) Loans from Related Parties		
Inter Corporate Deposit (Refer Note 22)	**472.00**	172.00
Total Current Borrowings	**472.00**	172.00

Note No. 13 - Trade Payables

(₹ in Lakhs)

Particulars	**As at 31 March 2022**	As at 31 March 2021
Trade payable - Micro and small enterprises	–	–
Trade payable - Other than micro and small enterprises	**2.10**	2.45
Total Trade Payables	**2.10**	2.45

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

13 a - Ageing for trade payable from the due date of payment for each of the category is as follows:

(₹ in Lakhs)

Particulars	**As at 31 March 2022**	As at 31 March 2021
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled		
Not Due		
0 months - 1 year	**1.31**	1.66
1-2 Years	–	–
2-3 years	–	–
More than 3 years	**0.79**	0.79
Total	**2.10**	2.45

Note No. 14 - Other Financial Liabilities

(₹ in Lakhs)

Particulars	**As at 31 March 2022**	As at 31 March 2021
Current		
Other Financial Liabilities Measured at Amortised Cost		
Redemption Premium on Optionally Convertible Redeemable Debentures (OCRD's) (Refer Note 22)	**377.81**	–
Interest Accrued and but not due on ICD (from related party repayable on demand) (Refer Note 22)	**42.23**	13.01
Total - Other Financial Liabilities	**420.04**	13.01

Note No. 15 - Other Current Liabilities

(₹ in Lakhs)

Particulars	**As at 31 March 2022**	As at 31 March 2021
Statutory remittances		
Withholding Taxes	**1.92**	–
Total - Other Current Liabilities	**1.92**	–

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note No. 16 - Other Income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Fixed Deposits interest Income	–	0.26
(b) Others	–	0.15
Total Other Income	–	0.41

Note No. 17 - Cost of Projects

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Opening Stock	**3,159.30**	3,147.30
Add:Expenses during the year		
Land	–	–
Redemption premium on OCRD's	**377.81**	–
Rates & Taxes - Others	**2.18**	–
Liasoning/Statutory Fees	**8.00**	–
Interest Expense on ICD	**32.46**	12.00
(b) Sub-Total	**420.45**	12.00
(c) Closing Stock	**3,579.75**	3,159.30
Total Cost of Projects (a+b-c)	–	–

Note No. 18 - Other Expenses

(₹ in Lakha)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Auditors remuneration and out-of-pocket expenses	**0.35**	0.48
(i) As Auditors	**0.35**	0.48
(ii) For Other services	–	–
(b) Other expenses		
(i) Legal and other professional costs	**2.41**	2.66
(ii) Rates and Taxes	**5.86**	–
(iii) Miscellaneous Expenses	**12.77**	0.44
Total Cost of Projects (a+b)	**21.39**	3.58

Note No. 19 - Earnings per Share

Basic earnings per share

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

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic earnings per share		
Profit/(loss) for the year attributable to owners of the Company	**(21.4)**	(4.5)
Weighted average number of equity shares (Refer note 10)	**49,071,664.00**	37,405,686.89
Earnings per share from continuing operations - Basic	**(0.04)**	(0.01)

Note No. 20 - Financial Instruments

Capital management

The company's capital management objectives are:

To ensure the company's ability to continue as a going concern

To provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

The company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Debt-to-equity ratio as of 31 March 2022 and 31 March 2021 is as follows:

(₹ in Lakhs)

	31-Mar-22	31-Mar-21
Debt (A)	**1,620.81**	943.00
Equity (B)	**5,492.93**	5,514.32
Debt Ratio (A/B)	**0.30**	0.17

Categories of financial assets and financial liabilities

As at 31 March 2022	Amortised Costs	FVTPL	Total
Current Assets			
Cash and Bank Balances	**21.67**	–	**21.67**
Loans & Advances	–	–	–
Non-current Liabilities			
Borrowings	**771.00**	–	**771.00**
Current Liabilities			
Borrowings	**472.00**	–	**472.00**
Trade Payables	**2.10**	–	**2.10**
Other Financial Liabilities			
– Non Derivative Financial Liabilities	**420.04**	–	**420.04**

As at 31 March 2021	Amortised Costs	FVTPL	Total
Current Assets			
Cash and Bank Balances	59.36	–	59.36
Loans	12.72	–	12.72
Non-current Liabilities			
Borrowings	771.00	–	771.00
Current Liabilities			
Borrowings	172.00	–	–
Trade Payables	2.45	–	2.45
Other Financial Liabilities			
– Non Derivative Financial Liabilities	13.01	–	13.01

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note No. 21 - Equity Share Capital

A. Equity share capital

	(₹ in Lakhs)
As at 31 March 2021	**4,907.17**
Changes in equity share capital during the year	–
As at 31 March 2022	**4,907.17**

Note No. 22 - Related Party Transactions

Discription of Relationship	**Name of Related Party**
Ultimate Holding Company	Mahindra & Mahindra Limited
Parent Company	Mahindra Lifespace Developers Limited
Fellow Subsidiary	Mahindra Industrial Park Private Limited (Earlier known as Industrial Cluster Private Limited)

Nature of transactions with Related Parties	**For the year ended**	**Amount**
Receiveing of Services from Parent Company	31-Mar-22	0.90
	31-Mar-21	0.90
Interest on Inter Corporate Deposit taken from Parent Company	31-Mar-22	32.46
	31-Mar-21	12.00
Redemption premium on OCRD's (Fellow Subsidiary)	31-Mar-22	377.81
	31-Mar-21	–

Nature of Balances with Related Parties	**Balance as on**	**Amount**
Interest Accrued on Inter Corporate Deposits from Parent Company	31-Mar-22	42.23
	31-Mar-21	13.01
Inter Corporate Deposit (ICD) from Parent Company	31-Mar-22	472.00
	31-Mar-21	172.00
Against receiveing of services from Parent Company	31-Mar-22	1.06
	31-Mar-21	1.06

Nature of Balances with Related Parties	**Balance as on**	**Amount**
OCRD's (Fellow Subsidiary)	31-Mar-22	771
	31-Mar-21	771
Redemption premium on OCRD's (Fellow Subsidiary)	31-Mar-22	378
	31-Mar-21	–

Note No. - 23 - Micro Small and Medium Enterprises Development Act 2006

The amount due to Micro and Small Enterprises as defined in the " Micro, Small and Medium Enterprises Development, Act, 2006" has

Disclosures required under Section 22 of the Micro Small and Medium Enterprises Development Act 2006

	Particulars	**31-Mar-22**	31-Mar-21
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	– Principal amount due to micro and small enterprises	–	–
	– Interest due on above	–	–
(ii)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	–	–
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	–	–
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	–	–
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	–	–

Note No. 24 - Financial Ratios

(₹ in Lakhs)

	Particulars	**Numerator**	**Denominator**	**31-Mar-22**	**31-Mar-21**
a)	Current Ratio	Current Assets	Current Liabilities	**7.99**	33.08
b)	Debt Equity Ratio	Net Debt	Equity	**0.22**	0.16
c)	Debt Service Coverage Ratio (DSCR)	EBDITA	Total Debt	**(0.02)**	(0.00)
d)	Return of Equity	PAT	Networth	**-0.39%**	-0.08%
e)	Inventory Turnover ratio	COGS	Average Inventory	**–**	–
f)	Trade Receivables turnover ratio	Turnover	Trade Receiavables (Average)	**–**	–
g)	Trade Payable turnover ratio	COGS	Average Trade payable	**–**	–
h)	Net capital turnover ratio,	Average Networth	Turnover	**–**	–
i)	Net profit ratio	PAT	Revenue	**–**	–
j)	Return on Capital employed	PAT	Borrowing	**-0.36%**	-0.08%
k)	Return on investment.	PAT	Capital employed	**-0.36%**	-0.08%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Note No. 25 - Segment Reporting

The Company operates in one segment namely Project and Development activity, hence separate segment reporting has not been made under Indian Accounting Standard (Ind- AS 108)-“Operating Segment”. The operation of company comprises a single geographical segment, India.

Note No. 26 - Comparitives

The figures for previous year have been regrouped wherever necessary to conform to current year’s classification.

For and on behalf of the Board of Directors of Knowledge Township Ltd.

For B.K.Khare & Co

Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No. 040852

Place: Mumbai
Date: 12 April, 2022

Parveen Mahtani
Director
DIN: 05189797

Rajaram Pai
Director
DIN: 07553119

Yadunath Dhuri
Company Secretary
Membership No. 040852

Ritesh Tilve
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDUSTRIAL TOWNSHIP (MAHARASHTRA) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Industrial Township Maharashtra Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss and total comprehensive loss, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report and the related annexures, but does not include the Financial Statements and our Auditors' Report thereon.

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

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

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

Responsibility of Management 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. 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 financial 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 the 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 auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure B", 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows 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.

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.

   (g) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, the provisions of Section 197 of the Act related to the managerial remuneration are not applicable.

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

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

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

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

(iv) (a) The management of the Company have represented to us respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us nothing has come to our notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

(v) The Company has not declared any dividend during the year.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No:. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
UDIN: 22040852AHBMZZ9377
Place: Mumbai
Date: April 13, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Industrial Township Maharashtra Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.

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.

Meaning of Internal Financial Controls with reference to financial statements

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

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No:. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852

UDIN: 22040852AHBMZZ9377
Place: Mumbai
Date: April 13, 2022

ANNEXURE B TO THE AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.]

(i) The Company does not have property, plant and equipment and intangible assets. Hence, reporting under Clause 3(i)(a) / (b) / (c) / (d) of the order is not applicable to the Company.

(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are at reasonable intervals and no material discrepancies were noticed on physical verification.

(b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.

(iii) According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services tax, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at 31 March 2022, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any loans or other borrowings during the year. Accordingly, the reporting under Clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) According to the information and explanations given to us, the company has not raised any money by way of term loans during the year. Hence, reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long- term purposes as at the Balance Sheet date.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.

(b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures, specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the reporting under Clause 3(xiii) of the Order is not applicable to the Company.

(xiv) The Company did not have an internal audit system for the period under audit. Hence, reporting under Clause 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us and the audit procedures performed by us, we report that the Group has three Core Investment Companies.

(xvii) In our opinion and according to the information and explanations given to us, the Company has incurred cash losses of Rs. 3.69 lakhs during the current financial year and Rs. 0.45 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, CSR is not applicable to the Company. Hence, reporting under Clause 3(xx) is not applicable to the Company.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No:. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852

UDIN: 22040852AHBMZZ9377
Place: Mumbai
Date: April 13, 2022

BALANCE SHEET AS AT 31 MARCH 2022

₹ in Lakhs

	Note No.	As at 31 March 2022	As at 31 March 2021
I ASSETS			
CURRENT ASSETS			
(i) Inventories	3	**187.18**	187.18
(ii) Financial Assets			
(i) Cash and Cash Equivalents	4	**79.13**	80.68
(iv) Other Financial Assets	5	**3.01**	0.47
(iii) Current Tax Assets (Net)		**–**	2.79
SUB-TOTAL		**269.32**	271.12
TOTAL ASSETS		**269.32**	271.12
II EQUITY AND LIABILITIES			
EQUITY			
(i) Equity Share Capital	6	**500.00**	500.00
(ii) Other Equity	7	**(232.05)**	(230.71)
SUB-TOTAL		**267.95**	269.29
LIABILITIES			
CURRENT LIABILITIES			
(i) Financial Liabilities			
(i) Trade Payables	8		
(a) Total Outstanding Dues of Micro Enterpirses and Small Enterprises		**–**	–
(b) Total Outstanding Dues of Creditors Other than Micro Enterpirses and Small Enterprises		**1.18**	1.83
(c) Current Tax Liabilities (Net)		**0.19**	–
SUB-TOTAL		**1.37**	1.83
TOTAL		**269.32**	271.12

Significant Accounting Policies 2

The accompanying notes 1 to 16 are an integral part of the Financial Statements

In terms of our report attached.

For **B. K. Khare & Co.**

Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
Place: Mumbai
Date: 13th April, 2022

For and on behalf of the Board of Directors of
Industrial Township (Maharashtra) Ltd.

Parveen Mahtani
Director
DIN: 05189797

Vimal Agarwal
Director
DIN: 07296320

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

₹ in Lakhs

Particulars		Note No.	As at 31 March 2022	As at 31 March 2021
I	**INCOME**			
	(a) Revenue from operations		–	–
	(b) Other Income		2.82	0.51
	Total Income (a+b)		2.82	0.51
II	**EXPENSES**			
	(a) Cost of Projects	9	–	–
	(a) Other expenses	10	3.69	0.45
	Total Expenses		3.69	0.45
III	**Profit/(loss) before tax (I-II)**		(0.87)	0.06
IV	**Tax Expense**		–	–
	(a) Current Tax		0.47	–
	Total tax expense		0.47	–
V	**Profit/(loss) after tax (III-IV)**		(1.34)	0.06
VI	**Other Comprehensive Income / (Loss)**		–	–
VII	**Total comprehensive Income / (Loss) for the year (V+VI)**		(1.34)	0.06
VIII	**Earnings per equity share (face value of Rs. 10/- each):**			
	(a) Basic	11	(0.03)	0.00
	(b) Diluted	11	(0.03)	0.00
	Significant Accounting Policies	2		

The accompanying notes 1 to 16 are an integral part of the Financial Statements

In terms of our report attached.

For **B. K. Khare & Co.**

Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
Place: Mumbai
Date: 13th April, 2022

For and on behalf of the Board of Directors of
Industrial Township (Maharashtra) Ltd.

Parveen Mahtani
Director

DIN: 05189797

Vimal Agarwal
Director

DIN: 07296320

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

₹ in Lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A Cash flows from operating activities		
Profit before tax for the year	**(1.34)**	0.06
Adjustments for:		
Interest Income	**(2.82)**	(0.51)
Income tax expense recognised in profit or loss	**0.47**	–
Operating Loss before working capital changes	**(3.69)**	(0.45)
Movements in working capital:		
Decrease/(Increase) in Inventory	**–**	–
Decrease/(Increase) in other assets	**2.79**	–
(Decrease)/increase in other liabilities	**(0.65)**	(1.19)
Total changes in working capital	**2.14**	(1.19)
Cash used in operations	**(1.55)**	(1.64)
Income taxes paid	**(0.28)**	–
Net cash used in operating activities	**(1.83)**	(1.64)
B Cash flows from investing activities		
Interest received	**0.29**	–
Net cash generated by investing activities	**0.29**	–
C Cash flows from financing activities		
Net cash (used in)/generated by financing activities	**–**	–
Net increase/(decrease) in cash and cash equivalents	**(1.55)**	(1.64)
Cash and cash equivalents at the beginning of the year	**80.68**	82.32
Cash and cash equivalents at the end of the year	**79.13**	80.68

Significant Accounting Policies (Refer Note No. 2)

The accompanying notes 1 to 16 are an integral part of the Financial Statements

Notes:

(a) The above cash flow statement has been prepared under the "Indirect Method" as set out in "Indian Accounting Statdards (IND AS) 7- Statement of Cash Flows"

(b) Also refer note no. 4 - Cash & Cash Equivalents

In terms of our report attached.

For **B. K. Khare & Co.**

Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
Place: Mumbai
Date: 13th April, 2022

For and on behalf of the Board of Directors of Industrial Township (Maharashtra) Ltd.

Parveen Mahtani
Director
DIN: 05189797

Vimal Agarwal
Director
DIN: 07296320

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

A. Equity share capital

₹ in Lakhs

Particulars	**As at 31st March, 2022**	As at 31st March, 2021
Balance at the Beginning of the year	**500.00**	500.00
Balance at the end of the year	**500.00**	500.00

B. Other Equity

₹ in Lakhs

	Reserves and Surplus	
Particulars	**Retained Earnings**	Total
As at 31 March 2020	(230.77)	(230.77)
Profit for the year	0.06	0.06
Other Comprehensive Income / (Loss)	–	–
Total Comprehensive Income for the year	0.06	0.06
As at 31 March 2021	(230.71)	(230.71)
Profit / (Loss) for the period	–	–
Other Comprehensive Income / (Loss)	–	–
Total Comprehensive Loss for the year	**–**	–
As at 31 March 2022	**(230.71)**	**(230.71)**

Significant Accounting Policies (Refer Note No. 2)

The accompanying notes 1 to 16 are an integral part of the Financial Statements

In terms of our report attached.

For **B. K. Khare & Co.**

Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
Place: Mumbai
Date: 13th April, 2022

For and on behalf of the Board of Directors of
Industrial Township (Maharashtra) Ltd.

Parveen Mahtani
Director
DIN: 05189797

Vimal Agarwal
Director
DIN: 07296320

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

1. General Information

The company was incorporated on July 02, 2008 and is engaged in the business of development of Industrial Township, Maharashtra. Its parent and holding company is Mahindra Lifespace Developers Ltd.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

2. Significant Accounting Policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Ind-AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.4 Revenue recognition

2.4.1 Revenue from Projects

The Company develops and sells residential and commercial properties. Revenue from contracts is recognised when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer and the development of the property is completed. The revenue is measured at the transaction price agreed under the contract.

The Company invoices the customers for construction contracts based on achieving a series of performance-related milestones.

For certain contracts involving the sale of property under development, the Company offers deferred payment schemes to its customers. The Company adjusts the transaction price for the effects of the significant financing component.

2.4.2 Revenue from Sale of land and other rights

Revenue from Sale of land and other rights is generally a single performance obligation and the Company has determined that this is satisfied at the point in time when control transfers as per the terms of the contract entered into with the buyers, which generally are with the firmity of the sale contracts / agreements. The determination of transfer of control did not change upon the adoption of Ind AS 115.

2.4.3 Contract Costs

- Costs to obtain contracts ("Contract costs") relate to fees paid for obtaining property sales contracts. Such costs are recognised as assets when incurred and amortised upon recognition of revenue from the related property sale contract.

2.4.4 Dividend and interest income

Dividend income from investment in mutual funds is recognised when the unit holder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

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

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.6 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.6.1 Current tax

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

2.6.2 Deferred tax

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

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

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

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

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

2.6.3 Current and deferred tax for the year

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

2.7 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties during construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss

2.8 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.9 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of construction material is determined on the basis of weighted average method. Construction Work-in-Progress includes cost of land, premium for development rights, construction costs and allocated interest & manpower costs and expenses incidental to the projects undertaken by the Company.

2.10 Provision

Provisions are recognised when the Company has a present obligation (legal or constructive) because of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.11 Employee benefits provisions

Employee benefits provisions are measured and classified into long term and short-term provisions based on Actuarial valuation as per IND AS-19 as on Balance sheet date.

2.12 Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.13 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2.13.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of ‘Reserve for debt instruments through other comprehensive income’. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss. All other financial assets are subsequently measured at fair value.

2.13.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other income” line item.

2.13.3 Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the ‘Reserve for equity instruments through other comprehensive income’. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

2.13.4 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the ‘Other income’ line item. Dividend on financial assets at FVTPL is recognised when the Company’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.13.5 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

undue cost or effort, that is indicative of significant increases in credit risk since initial recognition .

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.13.6 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.13.7 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.14 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.14.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.14.2 Compound financial instruments

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

2.14.2.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.14.2.2 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or

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- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item. However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

2.14.2.3 Financial Liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.14.2.4 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

2.14.2.5 Commitments to provide a loan at a below-market interest rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

2.14.2.6 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

2.14.2.7 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. Significant accounting judgements, estimates and assumptions

3.1 Determining the timing of revenue recognition on the sale of completed and under development property

The Company has generally evaluated and concluded that based on a careful analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate.

The Company has generally concluded that the overtime criteria are not met owing to non-reinforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time.

3.2 Determination of performance obligations

With respect to the sale of property, the Company has concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the Company is responsible for all these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Company accounts for them as a single performance obligation because they are not distinct in the context of the contract.

Note No. 3 - Inventories

₹ in Lakhs

Particulars	**Year ended 31 March 2022**	Year ended 31 March 2021
(i) Work-in-progress	**187.18**	187.18
Total Inventories (at lower of cost and net realisable value)	**187.18**	187.18

Note:

1. Work in Progress includes Land and its related expenses

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note No. 4 - Cash and Bank Balances

₹ in Lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash and cash equivalents		
(a) Balances with banks	**0.63**	1.18
(b) Fixed Deposits with original maturity less than 3 months	**78.50**	79.50
Total Cash and cash equivalent	**79.13**	80.68

Note No. 5 - Other Financial Assets

₹ in Lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash and cash equivalents		
(a) Interest Accrued	**3.01**	0.47

Note No. 6 - Equity Share Capital

₹ in Lakhs

Particulars	Year ended 31 March 2022		Year ended 31 March 2021	
	No. of shares	**Amount**	No. of shares	Amount
Authorised:				
Equity shares of ₹ 10 each with voting rights	**10,000,000**	**1,000**	10,000,000	500
Issued, Subscribed and Fully Paid:				
Equity shares of ₹ 10 each with voting rights	**5,000,000**	**500**	5,000,000	500
Total	**5,000,000**	**500**	5,000,000	500

(i) Reconciliation of the number of shares and the amount outstanding.

₹ in Lakhs

Particulars	Year ended 31 March 2022		Year ended 31 March 2021	
	No. of shares	**Amount**	No. of shares	Amount
Balance at the Beginning and at the end of the year	**5,000,000**	**500**	5,000,000	500

Terms/rights attached to equity shares with voting rights

The Company has only one class of equity shares having par value of Rs. 10 each per share. Each holder of equity shares is entitled to one vote per share and carry a right to dividends.

(ii) Details of shares held by the holding company and its subsidiaries

₹ in Lakhs

Particulars	Year ended 31 March 2022		Year ended 31 March 2021	
	No. of shares	**Amount**	No. of shares	Amount
Mahindra Lifespaces Developers Limited (Holding Company)	**5,000,000**	**500**	5,000,000	500

(iii) Details of shares held by each shareholder holding more than 5% shares:

₹ in Lakhs

	Year ended 31 March 2022		Year ended 31 March 2021	
Class of Shares/Name of shareholder	**No. of shares**	**% holding**	No. of shares	Amount
Equity shares with voting rights				
Mahindra Lifespace Developers Limited	**5,000,000**	**100%**	5,000,000	100%

(iv) Details of shareholdings by the Promoter's of the Company

₹ in Lakhs

	Year ended 31 March 2022		Year ended 31 March 2021	
Class of Shares/Name of shareholder	**No. of shares**	**% holding**	No. of shares	Amount
Equity shares with voting rights				
Mahindra Lifespace Developers Limited	**5,000,000**	**100%**	5,000,000	100%

Note No. 7 - Other Equity

₹ in Lakhs

	Reserves and Surplus	
	Retained Earnings	**Total**
As at 31 March 2020	(230.77)	(230.77)
Profit for the year	0.06	0.06
Other Comprehensive Income / (Loss)	–	–
Total Comprehensive Income for the year	0.06	0.06
As at 31 March 2021	**(230.71)**	**(230.71)**
Profit / (Loss) for the period	(1.34)	(1.34)
Other Comprehensive Income / (Loss)	–	–
Total Comprehensive Loss for the year	(1.34)	(1.34)
As at 31 March 2022	**(232.05)**	**(232.05)**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note No. 8 - Trade Payables

₹ in Lakhs

Particulars	Year ended 31 March 2022		Year ended 31 March 2021	
	Current	Non-Current	Current	Non-Current
Trade payable - Micro and small enterprises	–	–	–	–
Trade payable - Other than micro ans small enterprises	1.18	–	1.83	–
Total trade payables	**1.18**	–	1.83	–

Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

Note No. 8 b - Ageing for trade payable from the due date of payment for each of the category is as follows:

₹ in Lakhs

	Year ended 31 March 2022	Year ended 31 March 2021
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled		
Not Due		
0 months - 1 year	0.30	0.95
1-2 Years	–	–
2-3 years	–	–
More than 3 years	0.88	0.88
Total	**1.18**	**1.83**

Note No. 9 - Cost of Projects

₹ in Lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Inventories at the beginning of the year:		
Work-in-progress	187.18	187.18
	187.18	187.18
Add: Expenses incurred during the year	–	–
Less: Proceeds from Land Aggregator	–	–
Inventories at the end of the year:		
Work-in-progress	187.18	187.18
	187.18	187.18
Total Cost of Projects	–	–

Note No. 10 - Other Expenses

₹ in Lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(i) Auditors remuneration and out-of-pocket expenses	0.30	0.30
(i) As Auditors	0.30	0.30
(ii) For other services	–	–
(ii) Other expenses		
(i) Legal and Other Professional Charges	0.50	0.11
(ii) Rates and Taxes	2.75	
(iii) Miscellaneous Costs	0.14	0.04
Total Other Expenses	**3.69**	0.45

Note No. 11 - Earnings per Share

₹ in Lakhs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
	As at 31st	As at 31st
Profit / (loss) for the year attributable to owners of the Company	(134,000)	6,144
Weighted average number of equity shares	5,000,000	5,000,000
Earnings per share from continuing operations - Basic & Diluted	(0.03)	0.00

Note No. - 12 - Micro Small and Medium Enterprises Development Act 2006

The amount due to Micro and Small Enterprises as defined in the " Micro, Small and Medium Enterprises Development, Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosure relating to Micro and Small Enterprises as at 31 March 2018 are as under:

Disclosures required under Section 22 of the Micro Small and Medium Enterprises Development Act 2006

Particulars	31st March, 2022	31st March, 2021
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
– Principal amount due to micro and small enterprises	–	–
– Interest due on above	–	–
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	–	–
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	–	–
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	–	–
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	–	–

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note No. 13 - Related Party Transactions

Discription of Relationship	Name of Related Party
Ultimate Holding Company	Mahindra & Mahindra Limited
Parent Company	Mahindra Lifespace Developers Limited

Details of transaction between the Company and its related parties are disclosed below:

Particulars	For the year ended	Parent Company
Nature of transactions with Related Parties		
Receiving of services	**31-Mar-22**	–
	31-Mar-21	–

Nature of Balances with Related Parties	Balance as on	Parent Company
Against receiveing of services	**31-Mar-22**	–
	31-Mar-21	–

Note No. - 14 - Financial Ratios

	Particulars	Numerator	Denominator	31st March, 2022	31st March, 2021
a)	Current Ratio	Current Assets	Current Liabilities	**196.58**	148.11
b)	Debt Equity Ratio	Net Debt	Equity	**–**	–
c)	Debt Service Coverage Ratio (DSCR)	EBDITA	Total Debt	**–**	–
d)	Return of Equity	PAT	Networth	**(0.50)%**	0.02%
e)	Inventory Turnover ratio	COGS	Average Inventory	**–**	–
f)	Trade Receivables turnover ratio	Turnover	Trade Receiavables (Average)	**–**	–
g)	Trade Payable turnover ratio	COGS	Average Trade payable	**–**	–
h)	Net capital turnover ratio	Average Networth	Turnover	**–**	–
i)	Net profit ratio	PAT	Revenue	**–**	–
j)	Return on Capital employed	PAT	Borrowing	**(0.50)%**	0.02%
k)	Return on investment	PAT	Capital employed	**(0.50)%**	0.02%

Note No. - 15 - Segment Reporting

The Company operates in one segment namely Project and Development activity, hence separate segment reporting has not been made under Indian Accounting Standard (Ind- AS 108)-"Operating Segment". The operation of company comprises a single geographical segment, India.

Note No. - 16 - Comparitives

The figures for previous year have been regrouped/reclassified wherever necessary to conform to current year's grouping/classification.

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached.

For **B. K. Khare & Co.**

Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
Place: Mumbai
Date: 13th April, 2022

For and on behalf of the Board of Directors of
Industrial Township (Maharashtra) Ltd.

Parveen Mahtani
Director
DIN: 05189797

Vimal Agarwal
Director
DIN: 07296320

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
ANTHURIUM DEVELOPERS LIMITED

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Anthurium Developers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss and total comprehensive loss, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report and the related annexures, but does not include the Financial Statements and our Auditors' Report thereon.

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

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

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

Responsibilities of management 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. 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 financial 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 the 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 auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows 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.
   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
   (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
   (g) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, the provisions of Section 197 of the Act related to the managerial remuneration are not applicable.
   (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
      (i) The Company does not have any pending litigations which would impact its financial position;
      (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

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

(iv) (a) The management of the Company have represented to us respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us nothing has come to our notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

(v) The dividend paid by the Company is in compliance with Section 123 of the Act.

For **B. K. Khare and Co.**
Chartered Accountants
Firm Registration No. : 105102W

Aniruddha Joshi
Partner
Membership No.: 040852
UDIN: 22040852AHBMLN5857

Place: Mumbai
Date: April 13, 2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Anthurium Developers Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.

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.

Meaning of Internal Financial Controls with reference to financial statements

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

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B. K. Khare and Co.**
Chartered Accountants
Firm Registration No. : 105102W

Aniruddha Joshi
Partner
Membership No. : 040852
UDIN: 22040852AHBMLN5857

Place: Mumbai
Date: April 13, 2022

ANNEXURE B TO THE AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.]

(i) The Company does not have property, plant and equipment and intangible assets. Hence, reporting under Clause 3(i)(a) / (b) / (c) / (d) of the order is not applicable to the Company.

(a) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The Company does not have any inventory. Hence, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.

(iii) According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services tax, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at 31 March 2022, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any loans or other borrowings during the year. Accordingly, the reporting under Clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) According to the information and explanations given to us, the company has not raised any money by way of term loans during the year. Hence, reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long- term purposes as at the Balance Sheet date.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.

(b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company

(c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures, specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the reporting under Clause 3(xiii) of the Order is not applicable to the Company.

(xiv) The Company did not have an internal audit system for the period under audit.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us and the audit procedures performed by us, we report that the Group has Three Core Investment Companies.

(xvii) In our opinion and according to the information and explanations given to us, the Company has incurred cash losses of Rs. 1.46 lakhs in the current financial year. The Company has not incurred cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, CSR is not applicable to the Company. Hence, reporting under Clause 3(xx) is not applicable to the Company.

For **B. K. Khare and Co.**
Chartered Accountants
Firm Registration No. : 105102W

Aniruddha Joshi
Partner
Membership No. 040852
UDIN: 22040852AHBMLN5857

Place: Mumbai
Date: April 13, 2022

BALANCE SHEET AS AT 31ST MARCH, 2022

(₹ in lakh)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I ASSETS			
CURRENT ASSETS			
(a) Financial Assets			
(i) Cash and Cash Equivalents	4a	**0.40**	1.45
(ii) Bank balances other than (i) above	4b	**13.00**	27.22
(b) Other Current Assets	5	**0.07**	1.75
SUB-TOTAL		**13.47**	30.42
TOTAL ASSETS		**13.47**	30.42
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	6	**5.00**	5.00
(b) Other Equity	7	**8.08**	24.54
SUB-TOTAL		**13.08**	29.54
LIABILITIES			
CURRENT LIABILITIES			
(a) Other Current Liabilities	8	**0.39**	0.88
SUB-TOTAL		**0.39**	0.88
TOTAL		**13.47**	30.42

See accompanying notes forming part of the financial statements

In terms of our report attached

For **B K Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No:040852

Place : Mumbai
Date : 13th April 2022

For and on behalf of the Board of Directors

Viral Oza
Director (DIN-03552722)

Parveen Mahtani
Director (DIN-05189797)

Place : Mumbai
Date : 13th April 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in lakh)

	Particulars	Note No.	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
I	**Other Income**	9	**0.51**	1.04
II	**Total Revenue (I)**		**0.51**	1.04
III	**EXPENSES**			
	(i) Other expenses	10	**1.97**	0.73
	Total Expenses (III)		**1.97**	0.73
IV	**Profit/(loss) before tax (II-III)**		**(1.46)**	0.31
V	**Tax Expense**			
	(i) Current tax	11	**–**	0.08
	Total tax expense		**–**	0.08
VI	**Profit/(loss) for the period (IV-V)**		**(1.46)**	0.23
VII	**Total comprehensive income for the period**		**(1.46)**	0.23
VIII	**Earnings per equity share (for continuing operation):**			
	(i) Basic/Diluted	12	**(2.92)**	0.46

See accompanying notes forming part of the financial statements

In terms of our report attached

For **B K Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No:040852

Place : Mumbai
Date : 13th April 2022

For and on behalf of the Board of Directors

Viral Oza
Director (DIN-03552722)

Parveen Mahtani
Director (DIN-05189797)

Place : Mumbai
Date : 13th April 2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in lakh)

Particulars	Note No.	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Cash flows from operating activities			
Profit before tax for the year	PL	**(1.46)**	0.31
Adjustments for:			
Income tax expense recognised in profit or loss		**–**	(0.08)
Interest income recognised in profit or loss		**(0.51)**	(1.04)
		(1.97)	(0.81)
Movements in working capital:			
(Increase)/decrease in other assets		**(0.01)**	0.12
Decrease in trade and other payables		**–**	–
(Decrease)/increase in other liabilities		**(0.49)**	(0.97)
Cash generated from operations		**(2.47)**	(1.66)
Income taxes paid		**1.70**	0.91
Net cash generated by operating activities		**(0.78)**	(0.75)
Cash flows from investing activities			
Interest received		**0.51**	1.04
Bank balances not considered as cash and cash equivalents			
- Placed		**14.22**	(1.89)
- Matured		**–**	–
Net cash (used in)/generated by investing activities		**14.73**	(0.85)
Cash flows from financing activities			
Dividend paid to owners of the Company		**(15.00)**	–
Net cash used in financing activities		**(15.00)**	–
Net increase in cash and cash equivalents		**(1.04)**	(1.60)
Cash and cash equivalents at the beginning of the year		**1.45**	3.05
Cash and cash equivalents at the end of the year		**0.41**	1.44

See accompanying notes forming part of the financial statements

In terms of our report attached

For **B K Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No:040852

Place : Mumbai
Date : 13th April 2022

For and on behalf of the Board of Directors

Viral Oza
Director (DIN-03552722)

Parveen Mahtani
Director (DIN-05189797)

Place : Mumbai
Date : 13th April 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

	(₹ in lakh)
A. Equity Share Capital	
As at 1st April, 2021	5.00
Changes in equity share capital during the year	–
As at 31st March, 2022	5.00

B. Other Equity	**Retained earnings** (₹ in lakh)
Balance as at 31st March, 2020	**24.31**
Profit/(Loss) for the year	0.23
Other comprehensive income	–
Total comprehensive income	0.23
Balance as at 31st March, 2021	**24.53**
Profit/(Loss) for the year	(1.46)
Other comprehensive income	–
Total comprehensive income	(1.46)
Dividend paid	15.00
Balance as at 31st March, 2022	**8.08**

See accompanying notes forming part of the financial statements

In terms of our report attached

For **B K Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No:040852

Place : Mumbai
Date : 13th April 2022

For and on behalf of the Board of Directors

Viral Oza
Director (DIN-03552722)

Parveen Mahtani
Director (DIN-05189797)

Place : Mumbai
Date : 13th April 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2022

1. Corporate information

Anthurium Developers Limited ("the Company") is a public company incorporated in India on 02 June, 2010 under the provisions of erstwhile Companies Act, 1956. The registered office of the Company is located at 5th Floor, Mahindra Towers, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai – 400 018.

The Company is subsidiary of Mahindra Lifespace Developers Limited, Mumbai, a company incorporated in India. The ultimate parent company is Mahindra & Mahindra Limited.

2. Significant Accounting Policies

2.1 Statement of compliance and Basis of preparation and presentation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016.

All assets and liabilities are classified as current if it is expected to realise or settle within 12 months after the Balance Sheet date.

The financial statements are presented in Indian Rupees (Rs.) which is also the Company's functional currency.

The financial statements were approved by the Board of Directors and authorised for issue on 13th April, 2022.

2.2 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use. The estimated useful lives, residual values, are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the statement of profit and loss.

Depreciation on assets (other than impaired assets) is calculated on straight line method at the rate of 11.31% p.a. which is based on useful life of about 9 years determined on the basis of technical evaluation by the Management of the Company and is different from the useful life of 15 years indicated in part C of schedule II to the Companies Act, 2013.

2.3 Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement profit and loss.

2.4 Inventories

Inventories are stated at the lower of cost and net realisable value, whichever is lower. Cost is arrived at on first-in-first-out basis and includes overheads on absorption basis, where appropriate.

Financial assets and Liabilities

2.5 Financial instruments

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

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

2.6 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

2.6.1 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowances at an amount equal to lifetime expected credit losses.

2.6.2 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

2.7 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

2.7.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.7.1.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at Fair value through profit and loss.

2.7.1.2 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

2.8 Revenue recognition

Revenue on account of sale of services is recognised under the completed service contract method to the extent it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

Dividend income is recognised in the statement of profit and loss when the right to receive payment is established.

Interest Income is accounted for on time proportion basis.

2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.9.1 Current tax

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

2.9.2 Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

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

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

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

2.9.3 Current and deferred tax for the year

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

2.9.4 Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

2.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.11 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) for the year is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Note No. 4(a) - Cash and Bank Balances

(₹ in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Balances with banks	**0.40**	1.44
Total Cash and cash equivalent	**0.40**	1.44

(b) Other bank balances

(₹ in lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) In deposit accounts	**13.00**	27.22
Total other bank balances	**13.00**	27.22

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note No. 5 - Other Current assets

(₹ in lakh)

Particulars	As at 31st March, 2022 Current	As at 31st March, 2021 Current
(i) Other advances	**0.05**	1.75
(ii) Interest accrued but not due on term deposit accounts	**0.01**	–
Total	**0.07**	1.75

Note No. 6 - Equity Share Capital

Particulars	As at 31st March, 2022 No. of shares	As at 31st March, 2022 Amount	As at 31st March, 2021 No. of shares	As at 31st March, 2021 Amount
Authorised:				
Equity shares of ₹ 10 each with voting rights	**100,000**	**10.00**	100,000	10.00
Issued, Subscribed and Fully Paid:				
Equity shares of ₹ 10 each with voting rights	**50,000**	**5.00**	50,000	5.00
Total	**50,000**	**5.00**	50,000	5.00

Note No. 6 (a) - Equity Share Capital continued

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	Opening Balance	Fresh Issue	Bonus	ESOP	Other Changes (give details)	Closing Balance
(a) Equity Shares with Voting rights						
As at 31st March 2021						
No. of Shares	**50,000**	–	–	–	–	**50,000**
Amount	**5.00**	–	–	–	–	**5.00**
As at 31st March 2022						
No. of Shares	50,000	–	–	–	–	50,000
Amount	5.00	–	–	–	–	5.00

(ii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: (details of fully paid and partly paid also needs to be given)

No. of Shares

Particulars	Equity Shares with Voting rights	Equity Shares with Differential Voting rights	Others
As at 31st March 2021			
Mahindra Lifespace Developers Ltd. (Holding Company)	**50,000**	–	–
As at 31st March 2022			
Mahindra Lifespace Developers Ltd. (Holding Company)	50,000	–	–

(iii) Details of shares held by each shareholder holding more than 5% shares

Class of shares / Name of shareholder	As at 31st March, 2022 Number of shares held	As at 31st March, 2022 % holding in that class of shares	As at 31st March, 2021 Number of shares held	As at 31st March, 2021 % holding in that class of shares
Equity shares with voting rights				
Mahindra Lifespace Developers Ltd.	**50,000**	**100.00%**	50,000	100.00%

(iv) Details of shareholdings by the Promoter's of the Company

Class of shares / Name of shareholder	As at 31st March, 2022 Number of shares held	As at 31st March, 2022 % holding in that class of shares	As at 31st March, 2021 Number of shares held	As at 31st March, 2021 % holding in that class of shares
Equity shares with voting rights				
Mahindra Lifespace Developers Ltd.	**50,000**	**100.00%**	50,000	100.00%

Note No. 7 - Other equity

(₹ in lakh)

Particulars	Retained earnings	Total
Balance at 31st March, 2020	**24.31**	24.31
Profit/(Loss) for the year	0.23	0.23
Other comprehensive income	–	–
Total comprehensive income	0.23	0.23
Balance at 31st March, 2021	**24.53**	**24.53**
Profit/(Loss) for the year	(1.46)	(1.46)
Other comprehensive income	–	–
Total comprehensive income	(1.46)	(1.46)
Dividend paid	15.00	15.00
Balance at 31st March, 2022	**8.08**	**8.08**

Note No. 8 - Other Current Liabilities

(₹ in lakh)

Particulars	As at 31st March, 2022 Current	As at 31st March, 2021 Current
a. Provision for expenses	**0.39**	0.34
b. Statutory dues		
– taxes payable	–	0.54
Total Other Current Liabilities	**0.39**	0.88

Note No. 9 - Other Income

(₹ in lakh)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
(a) Interest Income		
(i) Interest on Bank Deposits	**0.51**	1.04
Total Other Income	**0.51**	1.04

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note No. 10 - Other Expenses

(₹ in lakh)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
(a) Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	**0.34**	0.34
(b) Other expenses		
(i) Legal and other professional costs	**0.31**	0.28
(ii) Others	**1.32**	0.11
Total Other Expenses	**1.97**	0.11

Note No. 11 - Current Tax and Deferred Tax

(a) Income Tax recognised in profit or loss

(₹ in lakh)

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
Current Tax:		
In respect of current year	–	0.08
Total income tax expense on continuing operations	–	0.08

Note No. 12 - Earnings per Share

Note	Particulars	For the Year ended 31st March, 2022 Per Share	For the Year ended 31st March, 2021 Per Share
	Basic Earnings per share		
	From continuing operations	**(2.92)**	0.46
	From discontinuing operations	–	–
	Total basic earnings per share	**(2.92)**	0.46
	Diluted Earnings per share		
	From continuing operations	**(2.92)**	0.46
	From discontinuing operations	–	–
	Total diluted earnings per share	**(2.92)**	0.46

Basic earnings per share

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

	For the year ended 31st March 2022	For the year ended 31st March 2021
Profit / (loss) for the year attributable to owners of the Company	**(145,912)**	22,954
Less: Preference dividend and tax thereon		
Profit / (loss) for the year used in the calculation of basic earnings per share	**(145,912)**	22,954
Profit for the year on discontinued operations used in the calculation of basic earnings per share from discontinued operations		
Profits used in the calculation of basic earnings per share from continuing operations share from discontinued operations	**(145,912)**	22,954
Weighted average number of equity shares	**50,000**	50,000
Earnings per share from continuing operations - Basic	**(2.92)**	0.46

Note No. 13 - As the Company can continue its current operations with its own cash resources, the accounts of the Company for the year ended 31st March, 2022 have been prepared on the basis of going concern.

Note No. 14 - Financial Instruments

Capital management

The Company's capital management objectives are:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders
- maintain an optimal capital structure to reduce the cost of capital

The Management of the Company monitors the capital structure using debt ratio which is determined as the proportion of total debt to total equity.

Debt ratios are as follows:	As at 31st March, 2022	As at 31st March, 2021
Debt (A)	–	–
Equity (B)	**13.08**	29.54
Debt Ratio (A/B)	–	–

Categories of financial assets and financial liabilities

The following tables shows the carrying amount and fair values of financial assets and financial liabilities by category:

(₹ in lakh)

As at 31st March, 2022

	Amortised Costs	FVTPL	FVOCI	Total
Current Assets				
Cash and Cash Equivalents	**0.40**	–	–	**0.40**
Other Bank Balances	**13.00**	–	–	**13.00**
Current Liabilities				
Borrowings	–	–	–	–
Trade Payables	–	–	–	–

As at 31st March, 2021

	Amortised Costs	FVTPL	FVOCI	Total
Current Assets				
Cash and Cash Equivalents	1.45	–	–	1.45
Other Bank Balances	27.22	–	–	27.22
Current Liabilities				
Borrowings	–	–	–	–
Trade Payables	–	–	–	–

[II] Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A) CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to credit risk.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

B) LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years
Non-derivative financial liabilities			
31-Mar-22			
Non-interest bearing			
Trade Payable	–	–	–
Long Term Borrowing			
Long Term Borrowing - Principal	–	–	–
Non-derivative financial liabilities			
31-Mar-21			
Non-interest bearing			
Trade Payable	–	–	–
Long Term Borrowing			
Long Term Borrowing - Principal	–	–	–

C) MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

There has been no significant changes to the Company's exposure to market risk or the methods in which they are managed or measured.

(i) Currency Risk

The Company undertakes transactions denominated only in Indian Rupees and hence, there is no risk of foreign exchnage fluctuations.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have exposure to the risk of changes in market interest rates.

(iii) Other price risk

The Company does not have other price risk.

Note No. 15 - Fair Value Measurement

Fair Valuation Techniques and Inputs used

This section explains the judgment and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in financials statements. To provide an indication about the reliability of the inputs used in determining the fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standards.

Fair value of financial assets and financial liabilities that are not measured at fair value

(₹ in lakh)

Particulars	31-Mar-22 Carrying amount	31-Mar-22 Fair value	31-Mar-21 Carrying amount	31-Mar-21 Fair value
Financial assets				
Financial assets carried at Amortised Cost				
- trade and other receivables				
- cash & cash equivalents	**0.40**	–	1.45	–
- Other bank balances	**13.00**	–	27.22	–
- Other Current Assets	**0.07**	–	1.75	–
	13.47	–	30.43	–
Financial liabilities				
Financial liabilities held at amortised cost				
- loans from related parties	–	–	–	
- trade and other payables	–	–	–	–
Total	–	–	–	–

(₹ in lakh)

Financial assets/financial liabilities	Level 1	Level 2	Level 3	Total
	Fair value hierarchy as at 31st March, 2022			
Financial assets				
Financial assets carried at Amortised Cost				
(i) Cash and cash equivalents	–	**0.40**	–	**0.40**
(ii) Other bank balances	–	**13.00**	–	**13.00**
Total	–	**13.40**	–	**13.40**
Financial liabilities				
Financial liabilities held at amortised cost				
(i) Long term loan	–	–	–	–
(ii) Trade Payable	–	–	–	–
Total	–	–	–	–

(₹ in lakh)

Financial assets/financial liabilities	Level 1	Level 2	Level 3	Total
	Fair value hierarchy as at 31st March, 2021			
Financial assets				
Financial assets carried at Amortised Cost				
(i) Cash & cash equivalents	–	1.45	–	1.45
Total	–	1.45	–	1.45
Financial liabilities				
Financial liabilities held at amortised cost				
(i) Long term loan	–	–	–	–
(ii) Trade Payable	–	–	–	–
Total	–	–	–	–

Note: The Company has not disclosed the fair value for financial instruments, because the carrying amounts are a reasonable approximation of fair value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note No. 16 Financial Ratios

	Particulars	Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	% Variance
a)	Current Ratio	Current Assets	Current Liabilities	34.39	34.48	-0.25%
b)	Debt Equity Ratio	Net Debt	Equity	NA	NA	NA
c)	Debt Service Coverage Ratio (DSCR)	EBDITA	Total Debt	NA	NA	NA
d)	Return of Equity	PAT	Networth	(0.11)	0.01	(1,535.84%)
e)	Inventory Turnover ratio	COGS	Average Inventory	NA	NA	NA
f)	Trade Receivables turnover ratio	Turnover	Trade Receivables (Average)	NA	NA	NA
g)	Trade Payable turnover ratio	COGS	Average Trade payable	NA	NA	NA
h)	Net capital turnover ratio,	Average Networth	Turnover	NA	NA	NA
i)	Net profit ratio	PAT	Revenue	(2.84)	0.22	(1,382.56%)
j)	Return on Capital employed	PAT	Borrowing	(0.07)	0.01	(913.17%)
k)	Return on investment	PAT	Capital employed	(0.07)	0.01	(913.17%)

Note No. 17 - Additional regulatory information

Details of benami property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

Note No. 18 - Events after the reporting period

No material events have occurred after the Balance Sheet date and upto the approval of the Financial Statements

Note No. 19 - Previous Year Figures

The figures for the previous year have been regrouped wherever necessary to confirm to current year's grouping.

Note No. 20 - Related party disclosures

Names of related parties and related party relationship

Related parties where control exists

Holding Company	Mahindra Lifespace Developers Limited

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

(₹ in lakh)

Nature of transactions with Related Parties	For the year ended	Mahindra Lifespace Developers Limited
Dividend Paid	**31-Mar-22**	**15.00**
	31-Mar-21	–

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.

See accompanying notes forming part of the financial statements

In terms of our report attached

For **B K Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Aniruddha Joshi
Partner
Membership No:040852

Place : Mumbai
Date : 13th April 2022

For and on behalf of the Board of Directors

Viral Oza
Director (DIN-03552722)

Parveen Mahtani
Director (DIN-05189797)

Place : Mumbai
Date : 13th April 2022

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MOONSHINE CONSTRUCTION PRIVATE LIMITED

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of **M/s. Moonshine Construction Private Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2022 and the Statement of Profit and Loss and statement of cash flows for the year then ended, the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('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, 2022 and its Loss and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing (SAs) specified under Section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in 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 of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the financial statements

The Company's Board of Directors are 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 and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "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 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

i. The Company does not have any pending litigations which would impact its financial statements;

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

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

For **M/s. R. Jaitlia & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No.: 049818

Place: Mumbai
Date: 19th April, 2022
UDIN: 22049818AIXPWL1947

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

i. In respect of its Property, Plant and Equipment:

As per information provided by the Company to us, it does not have any fixed asset as on 31st March, 2022. Accordingly, paragraph 3 (i) of the Order is not applicable to the Company.

ii. In respect of its inventories:

The Company does not have inventory. Accordingly, clause 3 (ii) (a) of the Order is not applicable.

As per information and explanation provided by the Company to us, the Company does not have any sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, paragraph 3 (ii) (b) of the Order is not applicable to the Company.

iii. Loans given by Company:

As per information and explanation provided by the Company to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, paragraph 3 (ii) (b) of the Order is not applicable to the Company.

iv. Loan to Directors and investment by the Company:

According to the Information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, Investments made, guarantees given and security as applicable.

v. Deposits:

The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there-under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. Cost Records:

The maintenance of cost records as specified under subsection (1) of the section 148 of the Act are not applicable to the Company and hence relevant provisions of the Order is not applicable.

vii. Statutory Dues:

According to information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including income tax, Goods and Service Tax (GST), and other material statutory dues, as applicable, with the appropriate authorities and there are no outstanding as on the last day of the financial year concerned for a period of more than six months. The Company has no obligation under Provident Fund and Employee State Insurance Rules. Payment of Sales Tax, Wealth Tax, Customs and Excise duties and Value Added Tax is not applicable to the Company during the Audit period.

There are no dues of income tax, sales tax, wealth tax, service tax, GST outstanding for more than 6 months at the end of Audit period.

viii. Previously unrecorded income

As per information and explanation provided by the Company to us, there are no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the Audit period in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence relevant provision of the Order is not applicable.

ix. Repayment of Loans:

According to the records of the company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of any loans since it has not availed of any loans from any bank nor has borrowed from any financial institution. The Company has also not issued any debentures as at the balance sheet date.

x. Utilisation of IPO & further public offer:

The Company has not raised any money by way of initial public offer or further public offer and no term loan was raised by the Company.

xi. Reporting of Fraud:

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

xii. Nidhi Company:

The Company is not a Nidhi Company and so relevant clause is not applicable.

xiii. Related Party Transaction:

During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us all transactions with related parties have been disclosed in the financial statements.

xiv. Internal Audit system:

The Company is the private limited company and does not have turnover of two hundred crore rupees or more during the preceding financial year; or outstanding loans or borrowings from banks or public financial institutions exceeding one hundred crore rupees or more at any point of time during the preceding financial year. Hence Section 138 is not applicable and so relevant clause is not applicable.

xv. Non – cash Transactions:

The Company has not entered into any non-cash transactions with directors or persons connected with any director of the Company.

xvi. Register under RBI Act 1934:

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

xvii. Cash losses:

The Company has incurred cash losses in the Audit Period Rs. 64,376 and in the immediately preceding financial year (FY 2020-21) Rs. 42,722.

xviii. Resignation of statutory auditors:

During the year no statutory auditors' has been resigned, hence relevant clause is not applicable.

xix. Material uncertainty on meeting liabilities:

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. Transfer to fund specified under Schedule VII of Companies Act, 2013:

There were no amounts which were required to be transferred to fund specified under Schedule VII of Companies Act, 2013.

The company does not have net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year. Hence Section 135 is not applicable and so relevant clause is not applicable.

xxi. Qualifications or adverse auditor remarks in other group companies:

Clause (xxi) of the Order is not applicable to the Company since report is of Standalone Financial Statement.

For **M/s. R. Jaitlia & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No.: 049818

Place: Mumbai
Date: 19th April, 2022
UDIN : 22049818AIXPWL1947

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MOONSHINE CONSTRUCTION PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of **Moonshine Construction Private Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M/s. R. Jaitlia & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No.: 049818

Place: Mumbai
Date: 19th April, 2022
UDIN : 22049818AIXPWL1947

BALANCE SHEET AS AT 31ST MARCH 2022

(₹ in lakh)

	Note No.	As at 31st March 2022	As at 31st March 2021
I ASSETS			
NON-CURRENT ASSETS			
(a) Financial Assets			
(i) Investments	4	**0.25**	0.25
Total Non-Current Assets (I)		**0.25**	0.25
CURRENT ASSETS			
(a) Financial Assets			
(i) Cash and Cash Equivalents	5	**0.04**	0.01
(b) Other Current Assets	6	**–**	0.06
Total Current Assets (II)		**0.04**	0.06
Total Assets [(I)+(II)]		**0.29**	0.31
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	7	**0.00**	0.00
(b) Other Equity	8	**(32.37)**	(31.73)
Total equity (III)		**(32.37)**	(31.73)
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	9	**1.00**	1.00
Total Non-current liabilities (IV)		**1.00**	1.00
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	10	**27.15**	26.65
(ii) Trade Payables	11		
– total outstanding dues of micro enterprises and small enterprises		**–**	–
– total outstanding dues of trade payables other than micro enterprises and small enterprises		**3.84**	3.86
(iii) Other Financial Liabilities	12	**0.66**	0.52
(b) Other Current Liabilities	13	**0.01**	0.01
Total current liabilities (V)		**31.66**	31.04
Total equity and liabilities [(III)+(IV)+(V)]		**0.29**	0.31

See accompanying notes forming part of the financial statements

In terms of our report attached

For R Jaitlia & Co.
Chartered Accountants
Firm Registration No: 117246W

Partner
Membership No: 049818

Place: Mumbai
Date: 19th April 2022

For and on behalf of the Board of Directors

Viral Oza (DIN-03552722)

Vinay Mohan Srivastva (DIN-01172665)

Place: Mumbai
Date: 19th April 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in lakh)

Particulars	Note No.	For the year ended 31st March 2022	For the year ended 31st March 2021
I Revenue from operations		–	–
II Other Income		–	–
III Total Revenue (I + II)		–	–
IV EXPENSES			
(i) Finance cost	14	**0.15**	0.13
(ii) Other expenses	15	**0.49**	0.30
Total Expenses (III-IV)		**0.64**	0.43
V Loss for the period (IV)		**(0.64)**	(0.43)
VI Loss before tax		**(0.64)**	(0.43)
VII Other comprehensive income		–	–
VIII Total comprehensive income for the period (VI + VII)		**(0.64)**	(0.43)
IX Earnings per equity share (from continuing and discontinued operations):			
Basic/Diluted	16	**(3,065.50)**	(2,034.38)

See accompanying notes forming part of the financial statements

In terms of our report attached

For R Jaitlia & Co.
Chartered Accountants
Firm Registration No: 117246W

Partner
Membership No: 049818

Place: Mumbai
Date: 19th April 2022

For and on behalf of the Board of Directors

Viral Oza (DIN-03552722)

Vinay Mohan Srivastva (DIN-01172665)

Place: Mumbai
Date: 19th April 2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in lakh)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
Cash flows from operating activities			
Profit before tax for the year	PL	**(0.64)**	(0.43)
Adjustments for:			
Finance costs recognised in profit or loss		**0.15**	0.13
Investment income recognised in profit or loss		**–**	–
		(0.49)	(0.30)
Movements in working capital:			
(Increase)/decrease in other assets		**0.06**	0.04
Decrease in trade and other payables		**(0.02)**	(0.18)
(Decrease)/increase in other liabilities		**0.14**	0.11
Net cash generated by operating activities		**(0.32)**	(0.34)
Cash flows from investing activities			
ICD Received		**0.50**	–
Interest paid on ICD		**(0.15)**	(0.13)
Net cash used in financing activities		**0.35**	(0.13)
Net increase in cash and cash equivalents		**0.03**	(0.46)
Cash and cash equivalents at the beginning of the year		**0.01**	0.47
		0.04	0.01
Cash and cash equivalents at the end of the year		**0.04**	0.01

In terms of our report attached

For R Jaitlia & Co.
Chartered Accountants
Firm Registration No: 117246W

Partner
Membership No: 049818

Place: Mumbai
Date: 19th April 2022

For and on behalf of the Board of Directors

Viral Oza (DIN-03552722)

Vinay Mohan Srivastva (DIN-01172665)

Place: Mumbai
Date: 19th April 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

A. Equity Share Capital

As at 31 March, 2021	0.00
Changes in equity share capital during the year	–
As at 31 March, 2022	0.00

a. Equity share capital

	Equity share capital (no of shares)
Balance at 31 March, 2020	21
Changes in equity share capital during the year	
Issue of equity shares	–
Balance at 31 March, 2021	21
Changes in equity share capital during the year	
Issue of equity shares	–
Balance at 31 March, 2022	21

Particulars	**Retained earnings**
Balance at 31 March, 2020	**(31.30)**
Profit/(Loss) for the period	(0.43)
Other comprehensive income	–
Total comprehensive income	(0.43)
Balance at 31 March, 2021	**(31.73)**
Profit/(Loss) for the period	(0.64)
Other comprehensive income	**–**
Total comprehensive income	(0.64)
Balance at 31 March, 2022	**(32.37)**

See accompanying notes forming part of the financial statements

In terms of our report attached

For R Jaitlia & Co.
Chartered Accountants
Firm Registration No: 117246W

Partner
Membership No: 049818

Place: Mumbai
Date: 19th April 2022

For and on behalf of the Board of Directors

Viral Oza (DIN-03552722)

Vinay Mohan Srivastva (DIN-01172665)

Place: Mumbai
Date: 19th April 2022

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. **Corporate information**

Moonshine Construction Private Limited ("the Company") is a private limited company incorporated in India on 16 May, 1996 under the provisions of erstwhile Companies Act, 1956. The registered office of the Company is located at 5th Floor, Mahindra Towers, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai – 400 018.

The Company is subsidiary of Mahindra Lifespace Developers Limited, Mumbai, a company incorporated in India. The ultimate parent company is Mahindra & Mahindra Limited.

2. **Significant Accounting Policies**

2.1 Statement of compliance and Basis of preparation and presentation

The Standalone Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 (the Act) and other relevant provision of the act. The aforesaid financial statements have been approved by the Company's Board of Directors and authorised for issue in the meeting held on 19th April, 2022.

2.2 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use. The estimated useful lives, residual values, are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the statement of profit and loss.

Depreciation on assets (other than impaired assets) is calculated on straight line method at the rate of 11.31% p.a. which is based on useful life of about 9 years determined on the basis of technical evaluation by the Management of the Company and is different from the useful life of 15 years indicated in part C of schedule II to the Companies Act, 2013.

2.3 Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement profit and loss.

2.4 Inventories

Inventories are stated at the lower of cost and net realisable value, whichever is lower. Cost is arrived at on first-in-first-out basis and includes overheads on absorption basis, where appropriate.

Financial assets and Liabilities

2.5 Financial instruments

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

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

2.6 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

2.6.1 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowances at an amount equal to lifetime expected credit losses.

2.6.2 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

2.7 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.7.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.7.1.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at Fair value through profit and loss.

2.7.1.2 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

2.8 Revenue recognition

Revenue on account of sale of services is recognised under the completed service contract method to the extent it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

Dividend income is recognised in the statement of profit and loss when the right to receive payment is established. Interest Income is accounted for on time proportion basis.

2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.9.1 Current tax

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

2.9.2 Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

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

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

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

2.9.3 Current and deferred tax for the year

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

2.9.4 Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

2.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.11 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/ (loss) for the year is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 4 - Investments

Particulars	Face Value (Rs.)	As at 31st March 2022 Nos.	(₹ in lakh)	As at 31st March 2021 Nos.	(₹ in lakh)
A. Investments carried at cost or deemed cost					
Investments in Preference shares					
Preference shares - Mahindra World City Maharashtra Limited	10	**2,500**	**0.25**	2,500	0.25
Total Investments (A)			**0.25**		0.25

Note No. 5 - Cash and Bank Balances

(₹ in lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Cash and cash equivalents		
(a) Balances with banks	**0.04**	0.01
Total Cash and cash equivalent	**0.04**	0.01
Total Cash and Bank Balances	**0.04**	0.01

Note No. 6 - Other assets

(₹ in lakh)

Particulars	As at 31st March 2022 Current	As at 31st March 2022 Non-Current	As at 31st March 2021 Current	As at 31st March 2021 Non-Current
(a) Advances other than capital advances				
(i) Prepaid expenses	–	–	0.06	–
	–	–	0.06	–

Note No. 7 - Equity share capital

Particulars	As at 31st March 2022 Number of shares	As at 31st March 2022 (₹ in lakh)	As at 31st March 2021 Number of shares	As at 31st March 2021 (₹ in lakh)
(a) Authorised				
Equity shares of Rs. 10 each with voting rights	**21**	**0.00**	21	0.00
	21	**0.00**	21	0.00
(b) Issued, subscribed and fully paid-up shares				
Equity shares of Rs. 10 each	**21**	**0.00**	21	0.00
	21	**0.00**	21	0.00

Notes (i) to (iv) below

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31st March 2022 Number of shares	As at 31st March 2022 (₹ in lakh)	As at 31st March 2021 Number of shares	As at 31st March 2021 (₹ in lakh)
Opening balance	**21**	**0.00**	21	0.00
Add: Issued during the year	–	–	–	–
Closing balance	**21**	**0.00**	21	0.00

The company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.

(ii) Terms/rights attached to equity shares:

The Company is having only one class of equity shares having par value of Rs. 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 the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the amount paid up on equity shares held by the shareholders.

(iii) Details of shares held by:

Particulars	As at 31st March 2022	As at 31st March 2021
Mahindra World City Maharashtra Limited	**20**	20

(iv) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31st March 2022 Number of shares	As at 31st March 2022 % holding	As at 31st March 2021 Number of shares	As at 31st March 2021 % holding
Mahindra World City Maharashtra Limited	**20**	**95.24%**	20	95.24%

(v) Details of shareholdings by the Promoter's of the company :

Particulars	As at 31st March 2022 Number of shares	As at 31st March 2022 % holding	As at 31st March 2021 Number of shares	As at 31st March 2021 % holding
Mahindra World City Maharashtra Limited	**20**	**95.24%**	20	95.24%

Note No. 8 - Other equity

(₹ in lakh)

Particulars	Retained earnings	Total
Balance at 31st March, 2020	**(31.30)**	**(31.30)**
Profit/(Loss) for the period	(0.43)	(0.43)
Other comprehensive income	–	
Total comprehensive income	(0.43)	(0.43)
Balance at 31st March, 2021	**(31.73)**	**(31.73)**
Profit/(Loss) for the period	(0.64)	(0.64)
Other comprehensive income	–	
Total comprehensive income	(0.64)	(0.64)
Balance at 31st March, 2022	**(32.37)**	**(32.37)**

Note No. 9 - Non-Current Borrowings

(₹ in lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Measured at amortised cost*		
A. Unsecured Borrowings - at amortised Cost		
(i) Other Loans		
Redeemable preference share capital	**1.00**	1.00
Total Unsecured Borrowings	**1.00**	1.00
Total Borrowings	**1.00**	1.00

Note No. 10 - Current Borrowings

(₹ in lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
A. Unsecured Borrowings		
(i) Loans from related parties*	**2.00**	1.50
(ii) Loans from others	**25.15**	25.15
Total Unsecured Borrowings	**27.15**	26.65
Total Current Borrowings	**27.15**	26.65

*The Unsecured Inter Corporate Deposit taken from Mahindra Lifespace Developers Limited @ 7.70% (Previous Year 8.95% p.a. from 01.04.2020 to 30.09.2020 and 7.80% p.a. from 01.10.2020 to 31.03.2021)

Note No. 11 - Trade Payables

(₹ in lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Trade payable -total outstanding Dues of micro enterprises and small enterprises		
Trade payable - Other than micro and small enterprises	**3.84**	3.86
Total Trade Payables	**3.84**	3.86

Note:

Based on the information available with the Company there are no outstanding in respect of Micro, Small and Medium Enterprises as of Balance Sheet date

11 a - Ageing for trade payable from the due date of payment for each of the category is as follows

(₹ in lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled	**–**	–
Not Due	**–**	–
0 months - 1 year	**0.27**	0.15
1-2 Years	**–**	0.03
2-3 years	**–**	3.68
More than 3 years	**3.57**	–
Total	**3.84**	3.86

Note No. 12 - Other Financial Liabilities

(₹ in lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Current		
(a) IInterest accrued but not due	**0.66**	0.52
Total Other Financial Liabilities	**0.66**	0.52

Note No. 13 - Other Current Liabilities

(₹ in lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
a. Others		
Statutory remittances (withholding taxes)	**0.01**	0.01
Total Other Current Liabilities	**0.01**	0.01

Note No. 14 - Finance Costs

(₹ in lakh)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
(a) Interest expense	0.15	0.13
Total Finance Costs	**0.15**	0.13

Note No. 15 - Other Expenses

(₹ in lakh)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
(a) Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	**0.15**	0.15
(b) Other expenses		
(i) Legal and other professional costs	**0.34**	0.15
(ii) Others	**0.00**	–
Total Other Expenses	**0.49**	0.30

Note No. 16 - Earnings per Share
Basic Earnings per Share

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
(a) Net loss for the period	**(64,376)**	(42,722)
(b) Nominal value per share	**10**	10
(c) Weighted average number of equity shares (No.)	**21**	21
(d) Basic/Diluted earning per share	**(3,065.50)**	(2,034.38)

Note No. 17 - Related Party Transactions

Related party disclosures as required by Ind As 24 "Related Party Disclosures" are given below.

Enterprises Controlling the Company

(₹ in lakh)

1	**Mahindra Lifespace Developers Limited**	**Holding Company**

Particulars	For the Period ended	Ultimate Holding Company	Holding Company
Nature of transactions with Related Parties			
Inter Corproate Deposits	31-Mar-22	–	**0.50**
	31-Mar-21	–	**–**
Interest on ICD	31-Mar-22	–	**0.15**
	31-Mar-21	–	0.13

Nature of Balances with Related Parties	Balances as on	Ultimate Holding Company	Holding Company
Payables (ICD and Interest on ICD)	31-Mar-22	–	**2.66**
	31-Mar-21	–	2.02

Notes:

1. During the year, there were no amounts required to be written off or written back in respect of debts due from or to related parties.
2. Related parties have been identified by the Management.

Note No. 18 - The accounts of the Company for the year ended 31 March, 2022 have been prepared on the basis of going concern.

Note No. 19 - Financial Instruments

[I] Capital management

The Company's capital management objectives is to ensure the Company's ability to continue as a going concern

The capital structure of the Company consists of equity.

The Company does not have any borrowings.

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

[II] Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A) CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primary trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

(i) Trade receivables

Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date and the Company measures the loss allowances at an amount equal to lifetime expected credit lossess. The Company does not hold collateral as security.

(ii) Financial instruments and cash deposits:

Credit risk from balances with banks is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with bank.

(B) LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

(₹ in lakh)

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total	Carrying Value
Non-derivative financial						
31-Mar-22						
Trade Payable	**0.27**	**–**	**3.57**	**–**	**3.84**	**3.84**
Total	**0.27**	**–**	**3.57**	**–**	**3.84**	**3.84**
31-Mar-21						
Trade Payable	0.15	3.70	–	–	3.86	3.86
Total	**0.15**	**3.70**	**–**	**–**	**3.86**	**3.86**

(iii) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(₹ in lakh)

Particulars	Less than 1 Year	1-3 Years	3-4 Years	5 years and above	Total	Carrying amount
Non-derivative financial assets						
31st March, 2022						
Non interest rate bearing	**0.04**	**–**	**–**	**–**	**0.04**	**0.04**
Fixed interest rate bearing	**–**	**–**	**–**	**–**	**–**	**–**
Total	**0.04**	**–**	**–**	**–**	**0.04**	**0.04**
31st March, 2021						
Non interest rate bearing	0.01	–	–	–	0.01	0.01
Fixed interest rate bearing	–	–	–	–	–	–
Total	**0.01**	**–**	**–**	**–**	**0.01**	**0.01**

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

There has been no significant changes to the Company's exposure to market risk or the methods in which they are managed or measured.

(i) Currency Risk

The Company undertakes transactions denominated only in Indian Rupees and hence, there is no risk of foreign exchnage fluctuations.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have significant exposure to the risk of changes in market interest rates.

(iii) Other price risk

The Company does not have significant other price risk.

Note No. 20 - Financial Ratios

(₹ in lakh)

	Particulars	Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	% Variance
a)	Current Ratio	Current Assets	Current Liabilities	0.0012	0.0020	-38.94%
b)	Debt Equity Ratio	Net Debt	Equity	(0.87)	(0.87)	-0.22%
c)	Debt Service Coverage Ratio (DSCR)	EBDITA	Total Debt	(0.02)	(0.02)	47.37%
d)	Return of Equity	PAT	Networth	0.02	0.01	47.69%
e)	Inventory Turnover ratio	COGS	Average Inventory	NA	NA	NA
f)	Trade Receivables turnover ratio	Turnover	Trade Receaivables (Average)	NA	NA	NA
g)	Trade Payable turnover ratio	COGS	Average Trade payable	NA	NA	NA
h)	Net capital turnover ratio,	Average Networth	Turnover	NA	NA	NA
i)	Net profit ratio	PAT	Revenue	NA	NA	NA
j)	Return on Capital employed	PAT	Borrowing	0.17	(0.03)	-574.52%
k)	Return on investment	PAT	Capital employed	0.17	(0.03)	-574.52%

Note No. 21 - Additional regulatory information

Details of benami property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

Note No. 22 - Events after the reporting period

No material events have occurred after the Balance Sheet date and upto the approval of the Financial Statements

Note No. 23 - Previous Year Figures

The figures for the previous year have been regrouped wherever necessary to confirm to current year's grouping.

Note No. 24 - Fair Value Measurement

Fair Valuation Techniques and Inputs used

This section explains the judgment and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in financials statements. To provide an indication about the reliability of the inputs used in determining the fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standards.

Level 1 Inputs:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions. If an entity holds a position in a single asset or liability and the asset or liability is traded in an active market, the fair value of the asset or liability is measured within Level 1 as the product of the quoted price for the individual asset or liability and the quantity held by the entity, even if the market's normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Level 2 Inputs:

Level 2 inputs are inputs other than quoted market prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2 inputs include:

- quoted prices for similar assets or liabilities in active markets
- quoted prices for identical or similar assets or liabilities in markets that are not active
- inputs other than quoted prices that are observable for the asset or liability, for example-interest rates and yield curves observable at commonly quoted interval
- implied volatilities
- credit spreads
- inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market-corroborated inputs')

Level 3 Inputs:

Level 3 inputs inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

(₹ in lakh)

Financial assets/financial liabilities	Fair value hierarchy as at 31st March, 2022			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial assets carried at Amortised Cost				
(i) Cash and cash equivalents	–	**0.04**	–	**0.04**
(ii) Other bank balances	–	–	–	–
Total	–	**0.04**	–	**0.04**
Financial liabilities				
Financial liabilities held at amortised cost				
(i) Non Current Borrowings	–	**1.00**	–	**1.00**
(ii) Current Borrowings	–	**27.15**	–	**27.15**
(iii) Trade payables	–	**3.84**	–	**3.84**
(iv) Other Financial Liabilities	–	**0.66**	–	**0.66**
Total	–	**32.64**	–	**32.64**

(₹ in lakh)

Financial assets/financial liabilities	Fair value hierarchy as at 31st March, 2021			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets carried at Amortised Cost				
(i) Cash and cash equivalents	–	0.01	–	0.01
(ii) Other bank balances	–	–	–	–
Total	–	0.01	–	0.01
Financial liabilities				
Financial liabilities held at amortised cost				
(i) Non Current Borrowings	–	1.00	–	1.00
(ii) Current Borrowings	–	26.65	–	26.65
(iii) Trade payables	–	3.86	–	3.86
(iv) Other Financial Liabilities	–	0.52	–	0.52
Total	–	32.03	–	32.03

In terms of our report attached

For R Jaitlia & Co.
Chartered Accountants
Firm Registration No: 117246W

Partner
Membership No: 049818

Place: Mumbai
Date: 19th April 2022

For and on behalf of the Board of Directors

Viral Oza (DIN-03552722)

Vinay Mohan Srivastva (DIN-01172665)

Place: Mumbai
Date: 19th April 2022

INDEPENDENT AUDITORS' REPORT

To the Members of MAHINDRA KNOWLEDGE PARK (MOHALI) LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **MAHINDRA KNOWLEDGE PARK (MOHALI) LIMITED** (the 'Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31 March 2022, and its Loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

   We have determined that there are no other key audit matters to communicate in our report

Information other than the Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

6. The accompanying standalone financial statements have been approved by the Company's Board of Directors. 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

9. 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 Standards on Auditing 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.

10. As part of an audit in accordance with Standards on Auditing, 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 with reference to financial statements 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.
11. 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.
12. 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.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

14. As required by Section 197(16) of the Act, based on our audit, we report that the Company has not paid remuneration to its directors for the year under audit. Hence, this clause is not applicable to the Company.
15. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure 1, a statement on the matters specified in paragraphs 3 and 4 of the Order.
16. Further to our comments in Annexure 1, as required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
    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 standalone financial statements Including Cash Flow Statement dealt with by this report are in agreement with the books of account;
    d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;
    e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act;
    f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report as per Annexure 2 expressed an unmodified opinion; and
    g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
        i. The Company does not have any pending litigations which would impact its financial position;
        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Yash Agarwal & Associates
Chartered Accountants
Firm registration No.: 143319W

Yash Agarwal
Proprietor
Membership No. 174020
UDIN: 22174020AJPNZG5467

Place: Mumbai
Date: April 19, 2022

ANNEXURE – 1 TO THE AUDITORS REPORT

The annexure referred to in independent auditors report to the members of the Company on the financial statements for the year ended 31 March 2022. We report that:

(i) As per information provided by the Company to us, it does not have fixed assets and, accordingly, the requirements under paragraph 3 (i) (a),(b), (c), (d) and (e) are not applicable to the Company.

(ii) The Company's business does not have inventories and, accordingly, the requirements under paragraph 3(ii)(a) of the Order are not applicable to the Company.

As per information and explanation provided by the Company to us, the Company does not have any sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, paragraph 3 (ii) (b) of the Order is not applicable to the Company

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

(v) The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there-under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records as specified under subsection (1) of the section 148 of the Act are not applicable to the Company and hence relevant provisions of the Order is not applicable.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, duty of custom, duty of excise, value added tax, Goods and Service Tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, Goods and Service Tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax, Goods and Service Tax and cess which have not been deposited on account of any dispute.

(viii) As per information and explanation provided by the Company to us, there are no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the Audit period in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence relevant provision of the Order is not applicable.

(ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of any loans since it has not availed of any loans from any bank nor has borrowed from any financial institution. The Company has also not issued any debentures as at the balance sheet date.

(x) According to the information and explanations given to us on an overall examination of the balance sheet, company had not raised any moneys by way of Initial public offer or further public offer or by way of preferential allotment or private placement of shares or by way of term loan.

(xi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we have neither come across any instance fraud by the Company or any fraud on the Company by its offices or employees, nor noticed or reported during the year.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xi) of the order are not applicable to the Company and hence not commented upon.

(xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and all transactions with related parties have been disclosed in the financial statements.

(xiv) According to the information and explanations given to us on an overall examination of the balance sheet, based on size and nature of its business, company is not required to have Internal audit system.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

(xvii) The Company has incurred cash losses in current as well as immediately preceding financial year (2020-21). We mention below amount of Cash losses incurred.

Year	**Amount (Rupees)**
FY 2020-21	(1,67,596)
FY 2021-22	(50,176)
Total	**(2,17,772)**

(xviii) During the year the no statutory auditors' has been resigned, hence relevant clause is not applicable.

(xix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, based on support from parent company and other considerations and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given by the management, Provisions of Section 135 of the companies Act, 2013 is not applicable to the company.

(xxi) According to the information and explanations given by the management, Clause (xxi) of the Order is not applicable to the Company since report is of Standalone Financial Statement.

For Yash Agarwal & Associates
Chartered Accountants
Firm registration No.: 143319W

Yash Agarwal
Proprietor
Membership No. 174020
UDIN: 22174020AJPNZG5467

Place: Mumbai
Date: April 19, 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF MAHINDRA KNOWLEDGE PARK (MOHALI) LIMITED, ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Annexure 2

Independent Auditor's report on the Internal Financial Controls with reference to the standalone financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

1. In conjunction with our audit of the standalone financial statements of **MAHINDRA KNOWLEDGE PARK (MOHALI) LIMITED** (the "Company") as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibility of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements 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 (the "Guidance Note") 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 the Company's 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 for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of Internal financial controls with reference to financial statements, and the Guidance Note 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 with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of Internal financial controls with reference to standalone financial statements includes obtaining an understanding of such Internal financial controls, 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.

5. 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A Company's Internal financial controls with reference to financial statements 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 with reference to financial statements 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 Standalone Financial Statements

7. Because of the inherent limitations of Internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that Internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Yash Agarwal & Associates
Chartered Accountants
Firm registration No.: 143319W

Yash Agarwal
Proprietor
Membership No. 174020
UDIN: 22174020AJPNZG5467

Place: Mumbai
Date: April 19, 2022

BALANCE SHEET AS AT 31ST MARCH, 2022

(Amount in ₹)

	Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I	**ASSETS**			
	Non-current assets		**–**	–
	Total Non-current assets (I)		**–**	–
	Current assets			
	(a) Financial assets			
	(i) Cash and cash equivalents	4	**2,666**	2,666
	(b) Other current assets	5	**–**	5,576
	Total current assets (II)		**2,666**	8,242
	TOTAL ASSETS {(I)+(II)}		**2,666**	8,242
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	6	**130**	130
	(b) Other equity	7	**(12,460,948)**	(12,410,773)
	Total equity (III)		**(12,460,818)**	(12,410,643)
	LIABILITIES			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	8	**500,000**	500,000
	Total Non-current liabilities (IV)		**500,000**	500,000
	Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables	9	**11,963,484**	11,918,884
	(b) Other current liabilities	10	**–**	–
	Total current liabilities (V)		**11,963,484**	11,918,884
	Total equity and liabilities {(III)+(IV)+(V)}		**2,666**	8,242

See accompanying notes forming part of the financial statements

In terms of our report attached

For Yash Agarwal & Associates
Chartered Accountants
Firm registration No.: 143319W

Yash Agarwal
Proprietor
Membership No.: 174020

Place : Mumbai
Date : 19th April 2022

UDIN: 22174020AJPNZG5467

For and on behalf of the Board of Directors

Feroze Baria
(DIN 03315262)

Parveen Mahtani
(DIN 05189797)

Place : Mumbai
Date : 19th April 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(Amount in ₹)

	Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
I	Revenue from operations		–	–
II	Other income		–	–
III	**Total income (I+II)**		–	–
IV	**Expenses**			
	(a) Other expenses	11	**50,176**	167,596
	Total Expenses (IV)		**50,176**	167,596
V	**Loss before tax (III-IV)**		**(50,176)**	(167,596)
VI	**Tax Expense**			
	(1) Current tax		–	–
	(2) Deferred tax		–	–
	Total tax expense		–	–
VII	**Loss for the period (V-VI)**		**(50,176)**	(167,596)
VIII	**Other comprehensive income**		–	–
IX	**Total comprehensive income for the year (VII+VIII)**		**(50,176)**	(167,596)
X	**Earnings per equity share**			
	Basic/Diluted	12	**(3,859.65)**	(12,892.00)

See accompanying notes forming part of the financial statements

In terms of our report attached

For Yash Agarwal & Associates
Chartered Accountants
Firm registration No.: 143319W

Yash Agarwal
Proprietor
Membership No.: 174020

Place : Mumbai
Date : 19th April 2022

UDIN: 22174020AJPNZG5467

For and on behalf of the Board of Directors

Feroze Baria
(DIN 03315262)

Parveen Mahtani
(DIN 05189797)

Place : Mumbai
Date : 19th April 2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(Amount in ₹)

Particulars	**Note No.**	**Year ended 31st March, 2022**	Year ended 31st March, 2021
Cash flows from operating activities			
Loss for the year		**(50,176)**	(167,596)
		(50,176)	(167,596)
Movements in working capital:			
Increase/(Decrease) in trade and other payables		**44,600**	163,879
(Increase)/decrease in other current assets		**5,576**	3,717
(Decrease)/increase in other current liabilities		**–**	–
Cash generated from operations			
Net cash (used in)/generated by operating activities		**–**	–
Cash flows from investing activities			
Net increase in cash and cash equivalents		**–**	–
Cash and cash equivalents at the beginning of the year		**2,666**	2,666
		2,666	2,666
Cash and cash equivalents at the end of the year		**2,666**	2,666

See accompanying notes forming part of the financial statements

In terms of our report attached

For Yash Agarwal & Associates
Chartered Accountants
Firm registration No.: 143319W

Yash Agarwal
Proprietor
Membership No.: 174020

Place : Mumbai
Date : 19th April 2022

UDIN: 22174020AJPNZG5467

For and on behalf of the Board of Directors

Feroze Baria
(DIN 03315262)

Parveen Mahtani
(DIN 05189797)

Place : Mumbai
Date : 19th April 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

A. Equity share capital **(Amount in ₹)**

As at 31st March, 2020	**130**
Changes in equity share capital during the year	–
As at 31st March, 2021	**130**
Changes in equity share capital during the year	–
As at 31st March, 2022	**130**

B. Other Equity

	Retained earnings (Amount in ₹)
As at 31st March, 2020	**(12,243,177)**
Loss for the year	(167,596)
Other Comprehensive Loss	–
As at 31st March, 2021	**(12,410,773)**
Loss for the year	(50,176)
Other Comprehensive Loss	–
As at 31st March, 2022	**(12,460,948)**

See accompanying notes forming part of the financial statements

In terms of our report attached

For Yash Agarwal & Associates
Chartered Accountants
Firm registration No.: 143319W

Yash Agarwal
Proprietor
Membership No.: 174020

Place : Mumbai
Date : 19th April 2022

UDIN: 22174020AJPNZG5467

For and on behalf of the Board of Directors

Feroze Baria
(DIN 03315262)

Parveen Mahtani
(DIN 05189797)

Place : Mumbai
Date : 19th April 2022

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Corporate information

Mahindra Knowledge Park (Mohali) Limited ("the Company") is a public company incorporated in India on 11 July, 1994 under the provisions of erstwhile Companies Act, 1956. The registered office of the Company is located at Mahindra Towers, Dr G.M.Bhosale Marg, P.K. Kurne Chowk, Worli, Mumbai - 400018.

2. Significant Accounting Policies

2.1 Statement of compliance and Basis of preparation and presentation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016.

All assets and liabilities are classified as current if it is expected to realise or settle within 12 months after the Balance Sheet date.

The financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency.

The financial statements were approved by the Board of Directors and authorised for issue on 19th April, 2022.

2.2 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use. The estimated useful lives, residual values, are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the statement of profit and loss.

Depreciation on assets (other than impaired assets) is calculated on straight line method at the rate of 11.31% p.a. which is based on useful life of about 9 years determined on the basis of technical evaluation by the Management of the Company and is different from the useful life of 15 years indicated in part C of schedule II to the Companies Act, 2013.

2.3 Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement profit and loss.

2.4 Inventories

Inventories are stated at the lower of cost and net realisable value, whichever is lower. Cost is arrived at on first-in-first-out basis and includes overheads on absorption basis, where appropriate.

Financial assets and Liabilities

2.5 Financial instruments

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

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

2.6 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.6.1 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowances at an amount equal to lifetime expected credit losses.

2.6.2 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

2.7 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.7.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.7.1.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at Fair value through profit and loss.

2.7.1.2 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

2.8 Revenue recognition

Revenue on account of sale of services is recognised under the completed service contract method to the extent it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

Dividend income is recognised in the statement of profit and loss when the right to receive payment is established.

Interest Income is accounted for on time proportion basis.

2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.9.1 Current tax

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

2.9.2 Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

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

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

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

2.9.3 Current and deferred tax for the year

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

2.9.4 Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

2.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.11 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) for the year is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Note No. 4 - (a) Cash and cash equivalents

(Amount in ₹)

Particulars	As at 31st March 2022	As at 31st March 2021
(a) Balance with bank	**2,666**	2,666
Total Cash and cash equivalents	**2,666**	2,666

Note No. 5 - Other Current assets

(Amount in ₹)

Particulars	As at 31st March 2022	As at 31st March 2021
(a) Prepaid Expenses	**–**	5,576
Total Other current assets	**–**	5,576

Note No. 6 - Equity Share Capital

Particulars	As at 31st March 2022 No. of shares	As at 31st March 2022 Amount in ₹	As at 31st March 2021 No. of shares	As at 31st March 2021 Amount in ₹
Authorised:				
Equity shares of ₹ 10 each with voting rights....	**1,000,000**	**10,000,000**	1,000,000	10,000,000
Issued, Subscribed and Fully Paid:				
Equity shares of ₹ 10 each with voting rights....	**13**	**130**	13	130
Total	**13**	**130**	13	130

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	Opening Balance	Fresh Issue	Closing Balance
(a) Equity Shares with Voting rights*			
Period Ended 31st March, 2022			
No. of Shares	**13**	**–**	**13**
Amount	**130**	**–**	**130**
Year Ended 31st March, 2021			
No. of Shares	13	–	13
Amount	130	–	130

Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company.The Distribution will be in proportion to the amount paid up on equity shares held by the shareholders.

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/ Name of shareholder	As at 31st March 2022 Number of shares held	As at 31st March 2022 % holding in that class of shares	As at 31st March 2021 Number of shares held	As at 31st March 2021 % holding in that class of shares
Equity shares with voting rights				
Mahindra Lifespace Developers Limited	**6**	**46.15%**	6	46.15%
Mr. A Vishwanth	**1**	**7.69%**	1	7.69%
Mr. Rajkumar Andley	**1**	**7.69%**	1	7.69%
Mr. Vivek Kejriwal	**1**	**7.69%**	1	7.69%
Mr. Pawan Kumar	**1**	**7.69%**	1	7.69%
Mr. Chandra Prakash Bhatia	**1**	**7.69%**	1	7.69%
Mr. Neerak Saroj	**1**	**7.69%**	1	7.69%
Mr. Alok Kumar Mishra	**1**	**7.69%**	1	7.69%

Note No. 7 - Other Equity

(Amount in ₹)

Particulars	Retained earnings	Total
As at 31st March, 2020	**(12,243,177)**	**(12,243,177)**
Loss for the period	(167,596)	(167,596)
Other Comprehensive Loss	–	–
As at 31st March, 2021	**(12,410,773)**	**(12,410,773)**
Loss for the period	(50,176)	(50,176)
Other Comprehensive Loss	–	–
As at 31st March, 2022	**(12,460,948)**	**(12,460,948)**

Note No. 8 - Non-Current Borrowings

(Amount in ₹)

Particulars	As at 31st March 2022	As at 31st March 2021
		Amount
Measured at amortised cost		
A. Secured Borrowings:	**–**	–
Total Secured Borrowings	**–**	–
B. Unsecured Borrowings - at amortised Cost		
(a) Other Loans		
Redeemable preference share capital	**500,000**	500,000
Total Unsecured Borrowings	**500,000**	500,000
Total Borrowings	**500,000**	500,000

Note No. 9 - Trade Payables

(Amount in ₹)

Particulars	As at 31st March 2022	As at 31st March 2021
	Current	Current
Trade payables for goods & services	11,963,484	11,918,884
Total trade payables	11,963,484	11,918,884

No Companies have been identified under the Micro, Small and Medium Enterprises Development Act, 2006 as on 31 March, 2017 and hence the disclosure as required by Notification No. G.S.R. 719 (E), dated 16 November, 2007 issued by the Ministry of Corporate Affairs is not applicable.

Note No. 10 - Other current liabilities

(Amount in ₹)

Particulars	As at 31st March 2022	As at 31st March 2021
	Current	Current
a. Others		
Expenses Payable	–	–
Total Other Current Liabilities	–	–

Note No. 11 - Other Expenses

(Amount in ₹)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a) Professional charges	36,476	88,837
(b) Stamp & Filing Fees	7,800	37,700
(c) Payments to auditors (including GST):		
(i) For audit	5,900	5,900
(d) Miscellaneous expenses	–	35,159
Total Other Expenses	50,176	167,596

Note No. 12 - Earnings per Share

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a) Net loss for the period	(50,176)	(167,596)
(b) Nominal value per share	10	10
(c) Weighted average number of equity shares (No.)	13	13
(d) Basic/Diluted earning per share	(3,859.65)	(12,892.00)

Note No. 13 - Related Party Transactions

Related party disclosures as required by IND AS 24 "Related Party Disclosures" are given below.

Enterprises Controlling the Company

1	Mahindra & Mahindra Limited	Ultimate Holding Company

Group Company

1	Mahindra Infrastructure Developers Limited

Particulars	For the year ended	Ultimate Holding Company	Holding Company	Group Company
Nature of transactions with Related Parties				
Trade payables	**31-Mar-22**	**–**	**–**	**65,400**
	31-Mar-21	–	–	146,649

Nature of Balances with Related Parties	Balances as on	Ultimate Holding Company	Holding Company	Group Company
Payables	**31-Mar-22**	**859,205**	**–**	**370,125**
	31-Mar-21	859,205	–	304,725

1. During the year, there were no amounts required to be written off or written back in respect of debts due from or to related parties.
2. Related parties have been identified by the Management.

Note No. 14 - Financial Instruments

Capital management

The company's capital management objectives are:

– to ensure the company's ability to continue as a going concern

– to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary. There is no change in the overall capital risk management strategy of the Company compared to last year.

The Company uses debt ratio as a capital management index and calculates the ratio as total liabilities divided by total equity. Total liabilities and total equity are based on the amounts stated in the separate financial statements.

The Company is not subject to externally enforced capital regulation.

Debt-to-equity ratio as of 31 March 2022, 31 March 2021 is as follows:

	31-Mar-22	31-Mar-21
Debt (A)	500,000	500,000
Equity (B)	(12,460,818)	(12,410,643)
Debt Ratio (A/B)	(0.04)	(0.04)

Categories of financial assets and financial liabilities

As at 31st March 2022

	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	–			–
Current Assets				
Other Bank Balances	2,666			2,666
Non-current Liabilities				
Borrowings	500,000			500,000
Current Liabilities				
Borrowings	–			–
Trade Payables	11,963,484			11,963,484

(Amount in ₹)

	As at 31st March 2021			
	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	–			–
Current Assets				
Trade Receivables	–			
Other Bank Balances	2,666			2,666
Non-current Liabilities				
Borrowings	500,000			500,000
Current Liabilities				
Trade Payables	11,918,884			11,918,884

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk list all such risks as applicable>. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

CREDIT RISK

Credit risk arises when a counterparty defaults on its contractual obligations to pay, resulting in financial loss to the Company.

Credit risk related to financial instruments

Credit risk from balances with banks and financial institutions is managed by Treasury in accordance with the Company's policy. Investments of surplus funds are made only by investment them in mutual funds. Hence the company is not exposed to any credit risk in this respect.

LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	**Less than 1 Year**	**1-3 Years**	**3 Years to 5 Years**	**5 years and above**
	INR	**INR**	**INR**	**INR**
Non-derivative financial liabilities				
31-Mar-22				
Trade Payable	**81,300**	**310,625**	**859,205**	**10,712,354**
Total	**81,300**	**310,625**	**859,205**	**10,712,354**
31-Mar-21				
Trade Payable	189,249	158,076	859,205	10,712,354
Total	189,249	158,076	859,205	10,712,354

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivatives to manage market risks. Derivatives are only used for economic hedging purposes and not as speculative investments. All such transactions are carried out within the guidelines set by the Board of Directors and Risk Management Committee.

There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

Currency Risk

The Company undertakes transactions denominated only in India Rupees and hence there is no risk of foreign exchnage fluctuations.

Interest rate risk

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

Note No. 15 - Fair Value Measurement

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying Value		**Fair value as at**	
Particulars	**31-Mar-22**	31-Mar-21	**31-Mar-22**	31-Mar-21
Financial assets				
Investments	**–**	–	**–**	–
Trade Receivables	**–**	–	**–**	–
Other Bank Balances	**2,666**	2,666	**2,666**	2,666
Total financial assets	**2,666**	2,666	**2,666**	2,666
Financial liabilities				
Trade Payable	**11,963,484**	11,918,884	**11,963,484**	11,918,884
Total financial liabilities	**11,963,484**	11,918,884	**11,963,484**	11,918,884

The management assessed that Investment in cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the Group's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2022: **(Amount in ₹)**

	Date of Valuation	Quoted prices in active markets (Level 1)	Fair value measurement using Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets					
Assets measured at Fair Value:					
Investments		–	–	–	–
Trade Receivables			–		–
Other Bank Balances			2,666		2,666
Total		–	2,666	–	2,666
Financial liabilities					
Liabilities measured at fair value:					
Trade Payable		–	11,963,484		11,963,484
Total		–	11,963,484	–	11,963,484

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021:

	Date of Valuation	Quoted prices in active markets (Level 1)	Fair value measurement using Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets					
Assets measured at Fair Value:					
Investments		–	–	–	–
Trade Receivables			–		–
Other Bank Balances			2,666		2,666
Total		–	2,666	–	2,666
Financial liabilities					
Liabilities measured at fair value:					
Trade Payable		–	11,918,884		11,918,884
Total		–	11,918,884	–	11,918,884

There have been no transfers between Level 1 and Level 2 during year ended 31 March 2022.

Note No. 16: Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.

In terms of our report attached

For Yash Agarwal & Associates
Chartered Accountants
Firm registration No.: 143319W

Yash Agarwal
Proprietor
Membership No.: 174020

Place : Mumbai
Date : 19th April 2022

UDIN: 22174020AJPNZG5467

For and on behalf of the Board of Directors

Feroze Baria
(DIN 03315262)

Parveen Mahtani
(DIN 05189797)

Place : Mumbai
Date : 19th April 2022