

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of **ROYAL NETRA CONSTRUCTIONS PRIVATE LIMITED**

### **Report on the Audit of the Standalone Indian Accounting Standards (Ind AS) Financial Statements**

#### **Opinion**

We have audited the accompanying Standalone Ind AS Financial Statements of Royal Netra Constructions Private Limited ("the Company"), which comprise the Balance sheet as at 31<sup>st</sup> March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 ("Ind AS") prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **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. We have determined that there are no key audit matters to communicate in our report.

#### **Information Other than the Standalone 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 Annexure to Board's Report, Corporate Governance and Shareholder's Information, 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 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 Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, including other comprehensive income, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 Ind AS Standalone 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.





- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

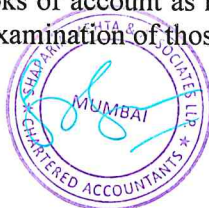
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" 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, 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 Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters 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, provisions of section 197 of the Act related to managerial remuneration is not applicable.
- (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 position.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Shaparia Mehta & Associates LLP**  
**Chartered Accountants**  
**(Firm's Registration No. 112350W/ W-100051)**

**Sanjiv Mehta**  
**Partner**  
**Membership No. 034950**  
**UDIN: 21034950AAAADX8290**  
**Mumbai, 11<sup>th</sup> June, 2021**





### Annexure A to the Independent Auditor's Report

The Annexure referred to in our Independent Auditor's Report to the members of Royal Netra Constructions Private Limited (the "Company") on the Ind AS financial statements for the year ended March 31, 2021, we report that:

i. In respect of its fixed assets:

The Company does not own any asset in the current year, thus the provisions of clauses i(b) and i(c) of the order are not applicable to the company.

ii. The year-end inventory comprises of construction work-in-progress. According to the information and explanations given to us and on the basis of our examination of the books of accounts, we are of the opinion that records maintained for the site are adequate and proper.

iii. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not granted loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (b) and iii (c) of the order are not applicable to the Company.

iv. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not given loans, guarantees, and security, or invested in other companies covered under section 185 and 186 during the period under audit. Consequently, provision of clause 3(iv) of the order is not applicable to the Company.

v. In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public so as to require any compliance of the directives of Reserve Bank of India or the provisions of section 73 or 76 of the Companies Act, 2013. As explained to us, the Company has not received any order passed by the Company Law Board or the National Company Law Tribunal or any court or other forum.

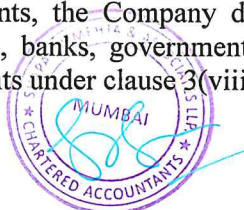
vi. According to the information and explanations given to us, maintenance of cost records is not applicable to the Company.

vii. In respect of its statutory dues:

(a) In our opinion and according to the information and explanations given to us, the Company is normally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, TDS, GST, Profession tax, cess and any other applicable statutory dues to the appropriate authorities. There is no outstanding 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, there are no disputed dues of Income tax and GST which have not been deposited with the appropriate authority on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company did not have any outstanding loans or borrowings to financial institutions, banks, government or dues to debenture holders during the year. Thus reporting requirements under clause 3(viii) is not applicable to the Company.



- (ix) The Company has neither raised any money by way of initial public offer or further public offer (including debt instruments) nor any term loans during the period under audit. Accordingly provisions of clause 3(ix) of the order is not applicable to the company.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us, the company has not paid or provided any managerial remuneration. Hence, reporting requirements under clause 3(xi) is not applicable to the Company.
- (xii) The Company is not a Nidhi Company as defined under section 406 of the Companies Act, 2013. Accordingly, 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, all transactions with the related parties during the current audit year are in compliance with section 177 and 188 of Companies Act, 2013. The Company has complied with the requirement disclosing the details in the Ind AS Financial Statements and as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Hence, reporting requirements under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) On the basis of information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, reporting under clause 3(xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and 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, reporting under clause 3(xvi) of the Order is not applicable to the Company.

**For Shaparia Mehta & Associates LLP**  
**Chartered Accountants**  
**(Firm's Registration No. 112350W/ W-100051)**



**Sanjiv Mehta**  
**Partner**

**Membership No. 034950**  
**UDIN: 21034950AAAADX8290**  
**Mumbai, 11<sup>th</sup> June, 2021**





### **Annexure - B to the Independent Auditor's Report**

#### **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")**

1. We have audited the internal financial controls over financial reporting of Royal Netra Constructions Private Limited ("the Company") as of March 31, 2021 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**

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

#### **Auditor's Responsibility**

3. 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.

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

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



**Meaning of Internal Financial Controls with reference to Ind AS financial statements**

5. 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**

6. 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**

7. In our opinion and to the best of our information & 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, 2021, 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 Shaparia Mehta & Associates LLP**  
**Chartered Accountants**  
**(Firm's Registration No. 112350W/ W-100051)**



**Sanjiv Mehta**  
**Partner**

**Membership No. 034950**  
**UDIN: 21034950AAAADX8290**  
**Mumbai, 11<sup>th</sup> June, 2021**



**ROYAL NETRA CONSTRUCTIONS PRIVATE LIMITED**

**BOARD OF DIRECTORS**

Mr. Satish Agarwal  
Mr. Jesing Khuman

**AUDITORS**

Shaparia Mehta & Associates LLP,  
Chartered Accountants, Mumbai.

**BANKERS**

Bank of Baroda  
New India Co-op Bank Ltd

**REGISTERED OFFICE**

808, Krushal Commercial Complex,  
Above Shoppers Stop, G. M. Road,  
Chembur (W), Mumbai – 400 089  
CIN: U45202MH2009PTC194430  
T: 22 42463999. F: 22 2526 1589

## DIRECTORS' REPORT

The Members,  
**ROYAL NETRA CONSTRUCTIONS PRIVATE LIMITED**  
Mumbai

Your Directors have pleasure in presenting the **Twelfth** Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2021.

### 1. FINANCIAL STATEMENTS & RESULTS:

#### a. **Financial Results:**

The Company's performance during the year ended 31<sup>st</sup> March, 2021 as compared to the previous financial year, is summarized below:

Particulars	2020-2021	2019-2020
Other Income	487,784	592,257
Expenses	1,876,706	38,34,731
<b>Profit/(loss) before extraordinary items and tax</b>	<b>(1,388,922)</b>	<b>(32,42,474)</b>
<b>Less: Tax expenses for current year</b>		
Current Tax Expense relating to prior years	131,117	-
Deferred Tax		-
<b>Profit/(loss) after Tax</b>	<b>(1,520,039)</b>	<b>(32,42,474)</b>

#### b. **OPERATIONS:**

There was no change in nature of the business of the Company, during the year under review.

#### c. **REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:**

During the year under review, your Company did not have any subsidiary, associate and joint venture company.

#### d. **DIVIDEND:**

In view of loss made by the Company, your Directors do not recommend any Dividend for the period ended on 31<sup>st</sup> March 2021.

#### e. **TRANSFER TO RESERVES:**

In view of loss incurred during the year under review, the Board of Directors has not recommended transfer of any amount to reserves.

#### f. **REVISION OF FINANCIAL STATEMENT:**

There was no revision of the financial statements for the year under review.

#### g. **DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:**

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.





**h. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:**

The details of transactions/contracts/arrangements entered by the Company with related party (ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, and forms part of the financial results.

**i. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:**

The Company has not given any Loans or issued any guarantees or made any Investments as per provisions of Companies Act, 2013 and rules made thereunder during the F.Y. 2020-21.

**2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Board of Directors of the Company is duly constituted.

At the forthcoming Annual General Meeting of the Company, Mr. Jesing Khuman shall retire by rotation and being eligible, he has offered himself for re-appointment.

**3. DISCLOSURES RELATED TO BOARD**

**a. BOARD MEETINGS:**

Four meetings of Board of Directors were held during the financial year under review i.e. on 26<sup>th</sup> June, 2020, 19<sup>th</sup> August, 2020, 28<sup>th</sup> October, 2020 and 5<sup>th</sup> February, 2021.

**b. DIRECTOR'S RESPONSIBILITY STATEMENT:**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2021, the Board of Directors hereby confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2021 and of the loss of the Company for that year;
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

**c. RISK MANAGEMENT POLICY:**

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.



**d. INTERNAL CONTROL SYSTEMS:**

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place has been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

**e. DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:**

None of the Directors are in receipt of remuneration from the Company.

**4. AUDITORS AND REPORTS:**

The matters related to Auditors and their Reports are as under:

**a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021:**

The observations made by the Statutory Auditors in their report for the financial year ended 31<sup>st</sup> March 2021 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**b. FRAUD REPORTING:**

During the year under review, there were no material or serious instances of fraud falling within the purview of Section 143 (12) of the Companies Act, 2013 and rules made thereunder, by officers or employees reported by the Statutory Auditors of the Company during the course of the audit conducted.

**c. APPOINTMENT OF STATUTORY AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the shareholders have appointed M/s. Shaparia Mehta & Associates LLP, Chartered Accountants, Firm Registration Number 112350W as Statutory Auditor of the Company for second consecutive term of 5 years i.e. up to conclusion of Annual General Meeting of the Company to be held for Financial Year 2023-24. The Company has received a confirmation from the said Auditors that they are not disqualified to act as the Statutory Auditors and are eligible to hold the office as Auditors of the Company.

**5. OTHER DISCLOSURES:**

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

**a. EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31<sup>st</sup> March 2021 made under the provisions of Section 92(3) of the Act is attached as **Annexure I** which forms part of this Report.





**b. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the year under review.

During the year under review, the Company has neither earned nor used any foreign exchange.

**6. GENERAL:**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions of these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**7. ACKNOWLEDGEMENTS AND APPRECIATION:**

The Directors wish to express their gratitude to the Bankers and all the business associates for their continuous support to the Company and to the Shareholders for the confidence reposed in the Company's management.

**For and on behalf of the Board of Directors**



Director  
Satish Agarwal  
DIN: 02099862

Director  
Jesing Govind Khuman  
DIN: 02268860

Place: Mumbai  
Date: 11<sup>th</sup> June, 2021

**Registered Office:**

808, Krushal Commercial Complex, Above Shoppers Stop, G. M. Road, Chembur (W), Mumbai – 400 089  
CIN: U45202MH2009PTC194430, T: 22 42463999, F: 22 2526 0589, Email: [cs@maninfra.com](mailto:cs@maninfra.com)

## ANNEXURE I

## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31<sup>st</sup> March, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS:

(a) CIN	:	U45202MH2009PTC194430
(b) Registration Date	:	29/07/2009
(c) Name of the Company	:	Royal Netra Constructions Private Limited
(d) Category / Sub-Category of the Company	:	Company limited by shares / Non-Government Company
(e) Address of the Registered office and contact details	:	808, Krushal Commercial Complex, G. M. Road, Chembur (West), Mumbai – 400 089, Tel : 022-4246 3999 Fax : 022-2526 0589 Email: <a href="mailto:cs@maninfra.com">cs@maninfra.com</a> , Website : <a href="http://www.maninfra.com">www.maninfra.com</a>
(f) Whether listed company	:	No
(g) Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	Link Intime India Pvt Ltd C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400 083 Web-site: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> E-mail: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Tel No: +91 22 49186270 Fax: +91 22 49186060

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Real Estate	6820	-

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN / GLN/LLPIN	Holding / subsidiary / associate	% of shares held	Applicable section
1	DB Realty Limited DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai – 400 063	L70200MH2007PLC166818	Holding Company	50.40%	2(87)(ii)



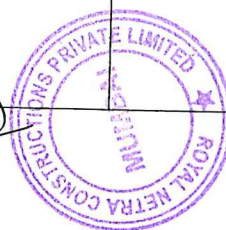


## ANNEXURE I

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) as on 31<sup>st</sup> March, 2021:

## i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1) Indian</b>									
1) Individual/HUF	-	-	-	-	-	-	-	-	-
2) Central Govt	-	-	-	-	-	-	-	-	-
3) State Govt(s)	-	-	-	-	-	-	-	-	-
4) Bodies Corp.	-	75,600	75,600	50.40	75,600	-	75,600	50.40	-
5) Banks / FI	-	-	-	-	-	-	-	-	-
6) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(1):</b>	-	<b>75,600</b>	<b>75,600</b>	<b>50.40</b>	<b>75,600</b>	-	<b>75,600</b>	<b>50.40</b>	-
<b>2) Foreign</b>									
1) NRIs - Individuals	-	-	-	-	-	-	-	-	-
2) Other – Individuals	-	-	-	-	-	-	-	-	-
3) Bodies Corp.	-	-	-	-	-	-	-	-	-
4) Banks / FI	-	-	-	-	-	-	-	-	-
5) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2):</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding Promoter (A) = (1)+(A)(2)</b>	-	<b>75,600</b>	<b>75,600</b>	<b>50.40</b>	<b>75,600</b>	-	<b>75,600</b>	<b>50.40</b>	-
<b>Public shareholding</b>									
Institutions									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):</b>	-	-	-	-	-	-	-	-	-
<b>Non-Institutions</b>									
Bodies Corp.									
Indian	-	15,870	15,870	10.58	-	15,870	15,870	10.58	-
Overseas	-	-	-	-	-	-	-	-	-
Individuals									
Individual shareholders holding initial share capital of Rs. 1 lakh	-	-	-	-	-	-	-	-	-



ANNEXURE I

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	58,530	58,530	39.02	36,000	22,530	58,530	39.02	-
Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Sub-total(B)(2):	-	74,400	74,400	49.60	36,000	38,400	74,400	49.60	-
Total Public Shareholding	-	74,400	74,400	49.60	36,000	38,400	74,400	49.60	-
B)=(B)(1)+(B)(2)									
Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	15,00,000	15,00,000	100	1,11,600	38,400	15,00,000	100	-

ii. Shareholding of Promoters:



Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
	DB Realty Limited	75,600	50.40	-	75,600	50.40	-	
	<b>Total</b>	<b>75,600</b>	<b>50.40</b>	<b>-</b>	<b>75,600</b>	<b>50.40</b>	<b>-</b>	

iii. Change In Promoters' Shareholding:

: There are no change in the Promoter shareholding during the year.

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders Name, Date & Reason of change	Shareholding at the beginning of the year (01-04-2020)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Vandana Desai j/w Berjis Desai	24,000	16.00	24,000	16.00
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2021)	N.A.	N.A.	24,000	16.00
	Murugan Properties and Management Private Limited	15,000	10.00	15,000	10.00
	At the End of the year (or on the date of separation, if separated during the year)	N.A.	N.A.	15,000	10.00



ANNEXURE I

	(31-03-2021)				
3.	Raja Mirani	12,000	8.00	12,000	8.00
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2021)	N.A.	N.A.	12,000	8.00
4.	Bharat M. Modi	6,000	4.00	6,000	4.00
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2021)	N.A.	N.A.	6,000	4.00
5.	Preniel Nair	6,000	4.00	6,000	4.00
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2021)	N.A.	N.A.	6,000	4.00
6.	Vijay Arora	6,000	4.00	6,000	4.00
	At the End of the year (or on the date of separation, if separated during the year) (31.03.2021)	N.A.	N.A.	6,000	4.00
7.	Navin Ajwani j/w Garima Ajwani	4,530	3.02	4,530	3.02
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2021)	N.A.	N.A.	4,530	3.02
8.	Ajwani Infrastructure Private Limited	870	0.58	870	0.58
	At the End of the year (or on the date of separation, if separated during the year) (31-03-2021)	N.A.	N.A.	870	0.58

v. Shareholding of Directors and Key Managerial Personnel : None of the Directors hold any shares in the Company.

**V. INDEBTEDNESS**

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
Principal Amount	-	561,605,036	-	561,605,036
Interest due but not paid	-	-	-	-
Interest accrued but not due	-	74,901,978	-	74,901,978
<b>Total (i+ii+iii)</b>	-	<b>636,507,014</b>	-	<b>636,507,014</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	-	56,160,000	-	56,160,000
Reduction	-	(38,949,701)	-	(38,949,701)



## ANNEXURE I

Net Change	-	17,210,299	-	17,210,299
Indebtedness at the end of the financial year				
i) Principal Amount	-	588,265,036	-	588,265,036
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	65,452,277	-	65,452,277
<b>Total (i+ii+iii)</b>	-	<b>653,717,313</b>	-	<b>653,717,313</b>

<b>I. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:</b>	
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:	: The Company is not required to appoint any Key Managerial Personnel, hence the Company is not required to pay any kind of remuneration under Companies Act, 2013.
B. Remuneration to other Directors	: None of the Directors of the Company are paid any kind of remuneration as per Companies Act, 2013.
C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD	: The Company is not required to appoint any Key Managerial Personnel during the F.Y. 2020-21, hence the Company is not required to pay any kind of remuneration under Companies Act, 2013.
<b>II. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES</b>	: There were no penalties / punishment / compounding of offences for breach of any Section of the Companies Act against the Company or its Directors or other officers in default, if any, during the year.

For and on behalf of the Board of Directors

Place: Mumbai  
Date: 11<sup>th</sup> June, 2021



Director  
Satish Agarwal  
DIN: 02099862

Director  
Jesing Govind Khuman  
DIN: 02268860

**Registered Office:**

808, Krushal Commercial Complex, Above Shoppers Stop, G. M. Road, Chembur (W), Mumbai – 400 089  
CIN: U45202MH2009PTC194430, T: 22 42463999, F: 22 2526 0589, Email: [cs@maninfra.com](mailto:cs@maninfra.com)



## Royal Netra Construction Private Limited

### Notes to the Financial Statements for the year ended 31st March, 2021

#### 1 Company Background:

Royal Netra Construction Private Limited (the "Company") is incorporated and domiciled in India. The Company is a subsidiary of DB Realty Limited, which is listed with National Stock Exchange and Bombay Stock Exchange. The Company has its principal place of business in Mumbai and its Registered Office is at 808, Krushal Commercial Complex, Above Shoppers Stop, G. M. Road, Chembur (West), Mumbai - 400089.

The Company is engaged in the business of Real Estate Development and Construction with specific concentration on redevelopment under the SRA Projects in the city of Mumbai.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency.

#### 2 Significant Accounting Policies, Accounting Judgements, Estimates and Assumptions:

##### (A) Significant Accounting Policies:

##### 2.1 Basis of preparation of Ind AS Financial Statements:

The Ind AS financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies (Indian Accounting Standards) Amendment Rules, 2016, Guidance Notes and other authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).

The Ind AS financial statements have been prepared on a historical cost basis, except for financial assets and liabilities measured at fair value (refer accounting policy no. 2.6 regarding financial instruments). 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

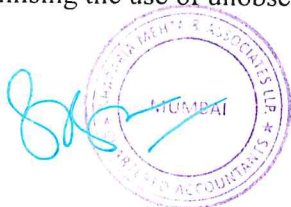
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



## Royal Netra Construction Private Limited

### Notes to the Financial Statements for the year ended 31st March, 2021

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

#### 2.2 Current and Non-Current Classification of Assets and Liabilities and Operating Cycle:

An asset is considered 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 considered as current when:

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

All other liabilities are classified as non-current.

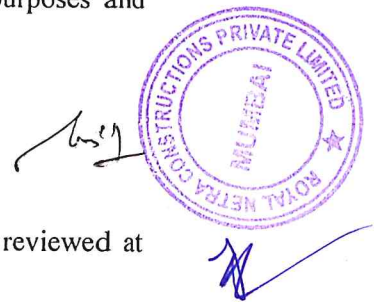
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Operating Cycle is the time between the acquisition of assets for business purposes and their realisation into cash and cash equivalents.

#### 2.3 Intangible Assets and amortisation thereof:

Goodwill on amalgamation is amortised over period of 5 years.

The estimated useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.



#### 2.4 Inventories:

Inventories comprise of Project Work-In-Progress representing properties under construction/development.





Inventory of construction materials is valued at lower of cost (net of indirect taxes, wherever recoverable) and net realizable value. Cost is determined on FIFO basis. However, inventory is not written down below cost if the estimated revenue of the concerned contract is in excess of estimated cost.

## 2.5 Revenue Recognition:

### (i) Sale of Properties:

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Effective from April 01, 2018, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers' using the cumulative catch-up method applied to contracts that were not completed as of April 01, 2018. In accordance with the new standard, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115. was insignificant. The Company has evaluated the timing of revenue recognition on the sale of property based on a careful analysis of the rights and obligations under the terms of the contract. The Company has generally concluded that contracts relating to the sale of completed property are recognised at a point in time when control transfers. For contracts relating to the sale of property under development, the Company has generally concluded that over the time criteria are met and, therefore, recognizes revenue over time. The Company has considered the factors contained in the contracts and concluded that the control of property is transferred to the customer over time because:

- 1) The entity's performance creates or enhances an asset (e.g., work in progress) that the customer controls, as the asset is created or enhanced. That is, the Company has considered various factors that indicate that the customer controls the part-constructed property as it is being constructed, e.g., the fact that the customer is able to pledge the property under development while it is being constructed. (rather than the future right to the completed unit). However, none of the factors is determinative and therefore, the Company has carefully weighed all factors and used judgement to determine that it meets this over-time criterion.
- 2) The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date. The Company's performance does not create an asset with alternative use to the Company. It has considered the factors that indicate that it is restricted (contractually or practically) from readily directing the property under development for another use during its development. In addition, the Company is at all times entitled to an amount that at least compensates it for performances or performance completed to date. In making this determination, the Company has carefully considered the contractual terms. The Company has determined that the input method is the best method for measuring progress for these contracts because there is a direct relationship between the costs incurred by the Company and the transfer of goods and services to the customer. Hence, the Company is recognizing the revenue based on percentage completion method as it satisfies performance obligations over time as it meets the above criteria. Hence, the Company is recognizing the revenue based on percentage completion method as it satisfies performance obligations over time as it meets the above criteria.



(ii) **Interest Income:**

For all financial instruments measured at amortised cost, interest income is measured using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash flows through the contracted or expected life of the financial instrument, as appropriate, to the net carrying amount of the financial asset.

**2.6 Financial Instruments:**

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

(i) **Financial Assets:**

*Initial Recognition and Measurement:*

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

*Subsequent Measurement:*

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at Amortised Cost.
- Financial assets at fair Value
  - Financial assets at Fair Value through Other Comprehensive Income. (FVTOCI)
  - Financial assets at Fair Value through Statement of Profit and Loss. (FVTPL)

*Financial Assets at Amortised Cost:*

A financial asset is measured at the amortised cost if both the following conditions are met:

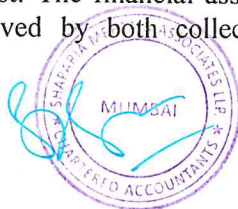
- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

*Financial Assets at FVTOCI:*

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.





- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

*Financial Assets at FVTPL:*

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial assets are measured at fair value through profit or loss.

*Derecognition:*

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- (i) The rights to receive cash flows from the asset have expired, or
- (ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either;
  - (a) the Company has transferred substantially all the risks and rewards of the asset, or
  - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

*Impairment of Financial Assets:*

The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss of Financial assets at amortised cost.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under this approach the Company does not track changes in credit risk but recognises impairment loss allowance based on lifetime ECLs at each reporting date. For this purpose the Company uses a provision matrix to determine the impairment loss allowance on the portfolio of trade receivables. The said matrix is based on historically observed default rates over the expected life of the trade receivables duly adjusted for forward looking estimates.

For recognition of impairment loss on other financial assets and risk exposures, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective



## Royal Netra Construction Private Limited

### Notes to the Financial Statements for the year ended 31st March, 2021

of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL 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 entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. The ECL impairment loss allowance (or reversal) recognized during the period in the statement of profit and loss and the cumulative loss is reduced from the carrying amount of the asset until it meets the write off criteria, which is generally when no cash flows are expected to be realised from the asset.

#### (ii) Financial Liabilities:

##### *Initial Recognition and Measurement:*

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

##### *Subsequent Measurement:*

This is dependent upon the classification thereof as under:

##### *Loans and Borrowings:*

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

##### *Derecognition:*

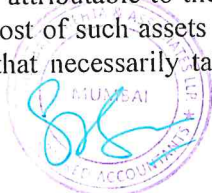
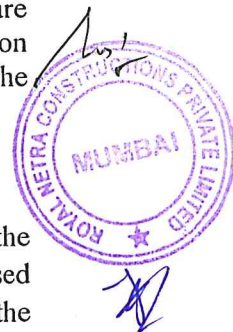
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### (iii) Offsetting of Financial Instruments:

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

#### 2.7 Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the





## Royal Netra Construction Private Limited

### Notes to the Financial Statements for the year ended 31st March, 2021

intended use. All other borrowing costs are charged to Statement of Profit & Loss in the year in which they are incurred.

#### 2.8 Taxes on Income:

##### *Current Income Taxes:*

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in Other Comprehensive Income / Equity and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### *Deferred Taxes:*

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, when the deferred tax liability arises from an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except, when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

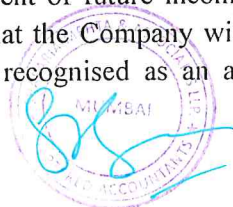
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

##### *Minimum Alternate Tax (MAT):*

MAT paid in accordance with the tax laws in India, which give rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the specified years. Accordingly, MAT is recognised as an asset in the Balance Sheet when the asset can be



## Royal Netra Construction Private Limited

### Notes to the Financial Statements for the year ended 31st March, 2021

measured reliably and it is probable that the future economic benefits associated with it will flow to the Company.

#### 2.9 Provisions and Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

When the Company expects some or all of a provision to be reimbursed, the same is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes.

#### 2.10 Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

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

#### 2.11 Cash and Cash Equivalent:

Cash and cash equivalent for the purpose of Cash Flow Statement comprise cash at bank and in hand and short term highly liquid investments which are subject to insignificant risk of changes in value.

#### 2.12 Statement of Cash Flows:

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.





**2.13 Segment Reporting:**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Real Estate Development".

**(B) Significant Accounting Judgements, Estimates and Assumptions:**

The preparation of Financial Statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgements for estimates and assumptions that affect the amounts of assets, liabilities and the disclosure of contingent liabilities on the reporting date and the amounts of revenues and expenses during the reporting period and the disclosure of contingent liabilities. Differences between actual results and estimates are recognized in the period in which the results are known/ materialize.

**2.14 Judgements:**

In the process of applying the Company's accounting policies, management has made the judgement in respect of outcome of legal case and executability of the project which has the most significant effects on the amounts recognised in the financial statements.).

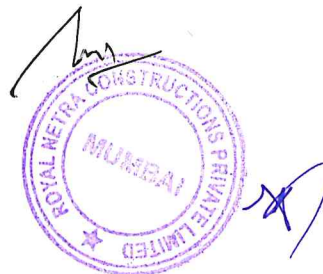
**2.15 Estimates and Assumptions:**

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

The Company, being a real estate development company, prepares budgets in respect of its project to compute project profitability. The major components of project estimates are 'budgeted costs to complete the project' and 'budgeted revenue from the project'. While estimating these components various assumptions are considered by the management such as:

- (i) Work will be executed in the manner expected so that the project is completed timely;
- (ii) consumption norms will remain same;
- (iii) Estimates for contingencies; and
- (iv) price escalations etc.

Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



Royal Netra Constructions Pvt Ltd.

Balance Sheet as at 31st March, 2021

(Amount in Rupees)

Particulars	Note No	As at 31st March, 2021	As at 31st March, 2020
<b>ASSETS</b>			
<b>I Non Current Assets</b>			
a Intangible Assets		-	-
b Other Non Current Assets	3	2,17,733	2,39,960
<b>Total Non Current Assets (I)</b>		<b>2,17,733</b>	<b>2,39,960</b>
<b>II Current Assets</b>			
a Inventories	4	82,28,98,095	80,80,68,167
b Financial Assets			
(i) Cash and Cash Equivalent	5	12,96,450	12,51,368
(ii) Bank Balance other than (i) above	6	88,00,000	88,00,000
(iii) Loans	7	2,50,000	2,50,000
c Other Current Assets	8	31,391	25,491
<b>Total Current Assets (II)</b>		<b>83,32,75,936</b>	<b>81,83,95,026</b>
<b>Total Assets (I)+(II)</b>		<b>83,34,93,669</b>	<b>81,86,34,986</b>
<b>EQUITY AND LIABILITIES</b>			
<b>III Equity</b>			
Equity Share Capital	9	1,50,00,000	1,50,00,000
Other Equity	10	(1,27,30,567)	(95,10,528)
<b>Total Capital(III)</b>		<b>22,69,433</b>	<b>54,89,472</b>
<b>IV Current Liabilities</b>			
a Financial liabilities			
(i) Borrowings	11	58,82,65,036	56,16,05,036
(ii) Trade payables			
- Total outstanding dues of creditors other than micro enterprises and small enterprises	12	13,94,00,000	13,95,89,000
- Total outstanding dues of creditors to micro enterprises and small enterprises			
(iii) Other financial liabilities	13	10,34,84,269	11,18,51,478
b Other current liabilities	14	74,931	1,00,000
<b>Total Current Liabilities (IV)</b>		<b>83,12,24,236</b>	<b>81,31,45,514</b>
<b>Total Equity &amp; Liabilities (III)+(IV)</b>		<b>83,34,93,669</b>	<b>81,86,34,986</b>

In terms of our Report of even date attached.


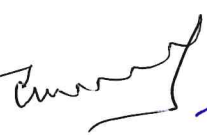

For Shaparia Mehta & Associates LLP  
Chartered Accountants  
Firm Registration No.: 112350W / W-100051


Partner.  
Name: Sanjiv B Mehta  
Membership No: 034950

Place : Mumbai  
Date : 11th June, 2021

For Royal Netra Constructions Pvt Ltd

Director

Director



## Royal Netra Constructions Pvt Ltd

## Statement of Profit and Loss for the year ended 31st March, 2021

(Amount in Rupees)

Particulars		Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
I	Revenue from operations			
II	Other income	15	4,87,784	5,92,257
III	<b>Total Income (I)+(II)</b>		<b>4,87,784</b>	<b>5,92,257</b>
IV	<b>Expenses</b>			
	Changes in inventories of finished goods, work in progress and stock-in-trade	4	(1,48,29,928)	(2,93,30,368)
	Finance costs	16	8,53,201	26,55,000
	Depreciation and amortisation expense			
	Other expense	17	1,58,53,433	3,05,10,099
	<b>Total expenses (IV)</b>		<b>18,76,706</b>	<b>38,34,731</b>
	<b>Profit / (Loss) before exceptional items and tax</b>		<b>(13,88,922)</b>	<b>(32,42,474)</b>
	Exceptional items			
V	<b>Profit / (Loss) before tax (III)-(IV)</b>		<b>(13,88,922)</b>	<b>(32,42,474)</b>
VI	<b>Tax expense</b>			
	a) Current tax		-	-
	b) Deferred tax		-	-
	c) Current tax expense relating to prior years		(1,31,117)	-
	<b>Profit / (Loss) for the period from continuing operations</b>		<b>(15,20,039)</b>	<b>(32,42,474)</b>
	<b>Profit / (Loss) from discontinued operations</b>		-	-
	Tax expense of discontinued operations		-	-
	<b>Profit / (Loss) from discounting operations (after tax)</b>		<b>(15,20,039)</b>	<b>(32,42,474)</b>
VII	<b>Profit / (Loss) for the year (V)-(VI)</b>		<b>(15,20,039)</b>	<b>(32,42,474)</b>
VIII	<b>Other Comprehensive Income</b>			
A	(i) Items that will not be reclassified to Profit or Loss		-	-
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
B	(i) Items that will be reclassified to profit or Loss		-	-
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-
	<b>Total Other Comprehensive Income [A (i)-(ii) + B (i)-(ii)] (VIII)</b>		-	-
IX	<b>Total Comprehensive Income for the year (VII)+(VIII)</b>		<b>(15,20,039)</b>	<b>(32,42,474)</b>
X	<b>Earnings per equity share - Basic and Diluted (Rs.)</b>	20	<b>(10.13)</b>	<b>(21.62)</b>
	Weighted average number of equity shares		1,50,000	1,50,000
	(Face value of Rs. 100/- each)			

In terms of our Report of even date attached.

For Shaparia Mehta & Associates LLP  
Chartered Accountants  
Firm Registration No.: 112350W / W-100051

For Royal Netra Constructions Pvt Ltd



Director

Director

Partner.

Name: Sanjiv B Mehta  
Membership No: 034950

Place : Mumbai

Date : 11th June, 2021

Royal Netra Constructions Pvt Ltd

Cash Flow Statement For The Year Ended 31st March 2021

(Amount in Rs.)

Particulars	Year ended 31st March' 21		Year ended 31st March' 20	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit / (Loss) before tax		(13,88,922)		(32,42,474)
<b>Adjustment for changes in Working Capital</b>				
Changes in Inventories	(1,44,69,000)		(2,99,22,625)	
Other Non Current Assets	-		61,695	
Other Current Assets	(5,900)		(25,491)	
Current Financial Liabilities-Trade Payables	(1,89,000)		-	
Other Current Financial Liabilities	-		2,43,90,750	
Other Current Liabilities	9,89,606		18,000	
		(1,36,74,294)		(54,77,671)
Cash generated from operations		(1,50,63,216)		(87,20,145)
Taxes (paid) / Refunded		-		-
<b>Net cash from operating activities - (A)</b>		(1,50,63,216)		(87,20,145)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Interest Income	4,87,784		5,92,257	
Less : TDS on interest	(36,584)		(58,764)	
		4,51,200		5,33,493
<b>Net cash used in investing activities- (B)</b>		4,51,200		5,33,493
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Share Application Money Received	-		34,00,000	
Share Application Money Refunded	(17,00,000)		(17,00,000)	
Loan Refunded	(2,95,00,000)		-	
Loan Taken	5,61,60,000		58,00,000	
Interest Paid	(1,03,02,902)			
<b>Net cash from financing activities - (C)</b>		1,46,57,098		75,00,000
<b>D. NET (DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)</b>		45,082		(6,86,652)
Opening cash and cash equivalent		12,51,368		19,38,021
Closing cash and cash equivalent		12,96,450		12,51,368
<b>Increase / (Decrease) in Cash Balance</b>		45,082		(6,86,652)

Notes :

- Cash and Cash equivalent represents Cash and bank balances.
- Previous years figures are re-grouped / re-arranged wherever necessary.

3 Cash & Cash Equivalents as under:

Cash on Hand  
Balance In Current accounts with scheduled Banks

	As at 31.03.2021	As at 31.03.2020
Cash on Hand	3,02,450	3,04,950
Balance In Current accounts with scheduled Banks	9,94,000	9,46,418
	12,96,450	12,51,368

In terms of our report of even date attached.

For Shaparia Mehta & Associates LLP  
Chartered Accountants  
Firm Registration No.: 112350W / W-100051

For Royal Netra Constructions Pvt Ltd

*Sanjiv B Mehta*

Partner  
Name: Sanjiv B Mehta  
Membership No: 034950



*[Signature]*  
Director

*[Signature]*  
Director

Date : 11th June, 2021  
Place : Mumbai



Royal Netra Constructions Pvt Ltd

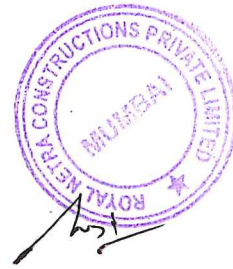
Statement of Changes in Equity for the year ended 31st March, 2021

A. Equity Share Capital

Particulars	Amount (Rs.)
Balance as at March 31, 2020	1,50,00,000
Changes in equity share capital during the year ended 31st March 2021	-
Balance as at March 31, 2021	1,50,00,000

B. Other Equity

Particulars	Security Premium	Retained Earnings	Share Application Money Pending Allotment	Total Other Equity
Balance as at 31st March, 2020	1,35,00,000	(2,47,10,526)	17,00,000	(95,10,526)
Profit / (Loss) for the year ended 31st March, 2021	-	(15,20,039)	-	(15,20,039)
Share Application Money Taken / ( Refunded ) During the Year	-	-	(17,00,000)	(17,00,000)
Other Comprehensive Income for the year, net of income tax	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-
Balance as at 31st March, 2021	1,35,00,000	(2,63,54,848)	-	(1,27,30,565)



*(Handwritten signature)*

3 Other Non Current Assets

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good)		
MAT Credit Entitlement	72,425	72,425
Income Tax Refund	95,348	1,17,575
Tax recoverable	49,960	49,960
<b>Total</b>	<b>2,17,733</b>	<b>2,39,960</b>

4 Inventories

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Valued at lower of cost or net realisable value)		
Work-in-progress (Refer Note 4.1 below)	82,28,98,095	80,80,68,167
<b>Total</b>	<b>82,28,98,095</b>	<b>80,80,68,167</b>

4.1 Details of inventory of work-in-progress

Particulars	As at 31st March, 2021	As at 31st March, 2020
Land Cost	4,17,86,055	4,17,86,055
Development Rights	11,80,00,000	11,80,00,000
Land Premium	56,64,995	56,64,995
Purchase of Materials	3,96,307	3,96,307
Labour Job	1,30,107	1,30,107
Hardship Compensation for Shifting	22,38,71,000	20,94,02,000
Professional Fees ( Architect )	24,96,618	24,96,618
Coordination Charges	25,00,000	25,00,000
Bank Guarantee Charges	96,966	96,966
Employee Benefit Cost	1,44,41,806	1,44,41,806
Conveyance Expenses	2,22,850	2,22,850
Site Expenses	5,29,000	5,29,000
Other Expenses	34,10,910	34,10,910
Interest On Loan Taken	9,71,13,308	9,62,64,596
Less : Interest on Bank F D R	(71,29,400)	(66,41,616)
Amortization of goodwill	31,93,67,573	31,93,67,573
	<b>82,28,98,095</b>	<b>80,80,68,167</b>

4.1.1 Expenses incurred in relation to slum dwellers have been included under Work –In – Progress.

4.1.2 Payments made for the SRA project are being shown as Work –In – Progress.

*[Handwritten signatures]*





## 5 Cash and Cash equivalents

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Bank Balances in Current Accounts	9,94,000	9,46,418
(b) Cash on hand	3,02,450	3,04,950
<b>Grand Total :</b>	<b>12,96,450</b>	<b>12,51,368</b>

## 6 Bank Balance other than Cash and Cash Equivalents

Particulars	As at 31st March, 2021	As at 31st March, 2020
Fixed Deposit with maturity more than 3 months but less than 12 months (*)	88,00,000	88,00,000
<b>Grand Total :</b>	<b>88,00,000</b>	<b>88,00,000</b>

(\*) Rs.88,00,000/- (88,00,000 as at 31 March, 2020) which has original maturity of 12 months.

## 7 Current Financial Assets - Loans

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good) Other Receivables	2,50,000	2,50,000
<b>Total</b>	<b>2,50,000</b>	<b>2,50,000</b>

## 8 Other Current Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good) Other Receivables	31,391	25,491
<b>Total</b>	<b>31,391</b>	<b>25,491</b>



## 9 Share Capital

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
<b>(a) Authorized</b>				
Equity shares of Rs.100 each with voting rights	1,85,000	1,85,00,000	1,85,000	1,85,00,000
0% Redeemable / convertible Participating Preference Shares of Rs.100 each	1,65,000	1,65,00,000	1,65,000	1,65,00,000
<b>(b) Issued</b>				
Equity shares of Rs.100 each fully paid-up	1,50,000	1,50,00,000	1,50,000	1,50,00,000
<b>(c) Subscribed &amp; paid up</b>				
Equity shares of Rs.100 each fully paid-up	1,50,000	1,50,00,000	1,50,000	1,50,00,000
<b>Total</b>	<b>1,50,000</b>	<b>1,50,00,000</b>	<b>1,50,000</b>	<b>1,50,00,000</b>

- (a) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares	Amount in Rupees	Number of shares	Amount in Rupees
Shares outstanding at the beginning of the year	1,50,000	1,50,00,000	1,50,000	1,50,00,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,50,000	1,50,00,000	1,50,000	1,50,00,000

The Company has Equity shares having face value of Rs. 100/- per share. Each shareholder is eligible for one vote per share held. the voting rights dividend rights and winding up rights are in proportion to number of shares held.

- (b) Details of Equity Shares held by shareholders holding more than 5% of the aggregate shares in the Company.

Name of shareholder	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares held	% of holding	Number of shares held	% of holding
D B Realty Ltd	75,600	50.40%	75,600	50.40%
Murugan Properties And Management Pvt Ltd	15,000	10.00%	15,000	10.00%
Vandna Berjis Desai	24,000	16.00%	24,000	16.00%
Rajendra Mirani	12,000	8.00%	12,000	8.00%

- (c) Details of shares held by the holding company:

Particulars	Equity shares with voting rights	% of holding
As at 31st March, 2021		
D B Realty Ltd	75,600	50.40%
As at 31st March, 2020		
D B Realty Ltd	75,600	50.40%





10 Other Equity

Particulars	(Amount in Rs.)	
	As at 31st March, 2021	As at 31st March, 2020
<b>Security Premium Account :</b>		
Balances at the beginning of the year	1,35,00,000	1,35,00,000
Add : Addition During the year	-	-
Balances at the end of the year	<b>1,35,00,000</b>	<b>1,35,00,000</b>
<b>Retained Earnings</b>		
Balances at the beginning of the year	(2,47,10,528)	(2,14,68,053)
Add : Profit / (Loss) for the year	(15,20,039)	(32,42,474)
Less : Tax on Regular Assessment		
<b>Balances at the end of the year</b>	<b>(2,62,30,567)</b>	<b>(2,47,10,528)</b>
<b>Share Application Money Pending Allotment</b>		<b>17,00,000</b>
<b>Total</b>	<b>(1,27,30,567)</b>	<b>(95,10,528)</b>

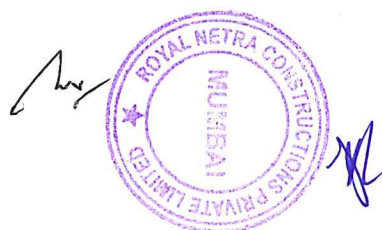
11 Current Financial Liabilities - Borrowings

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured Loans: Repayable on Demand</b>		
from others	15,23,83,036	17,07,23,036
from related parties [ Refer Note no : 19 ]	43,58,82,000	39,08,82,000
<b>Total</b>	<b>58,82,65,036</b>	<b>56,16,05,036</b>

12 Current Financial Liabilities - Trade payables

Particulars	As at 31st March, 2021	As at 31st March, 2020
- Total outstanding dues of creditors other than micro enterprises and small enterprises	13,94,00,000	13,95,89,000
<b>Total</b>	<b>13,94,00,000</b>	<b>13,95,89,000</b>

12.1 The company will allot constructed area to the creditor as a part consideration. Trade payable includes estimated cost of constructions of such constructed area.



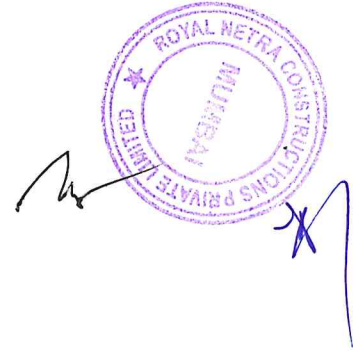
Royal Netra Constructions Pvt Ltd  
Notes forming part of the financial statements

13 Other Current Financial Liabilities

Particulars	(Amount in Rs.)	
	As at 31st March, 2021	As at 31st March, 2020
Interest accrued and not due on borrowings	30,75,075	1,25,24,776
Interest accrued and not due on borrowings from related party [ Refer Note no : 19 ]	6,23,77,202	6,23,77,202
Others	3,80,31,992	3,69,49,500
<b>Total</b>	<b>10,34,84,269</b>	<b>11,18,51,478</b>

14 Other current liabilities

Particulars	As at 31st March,	
	2021	2020
Statutory dues	74,931	1,00,000
Other current liabilities		
	<b>74,931</b>	<b>1,00,000</b>





Royal Netra Constructions Pvt Ltd  
Notes forming part of the financial statements

15 Other income

(Amount in Rs.)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest income on financial assets at amortized cost (Refer Note 15.1 below)	4,87,784	5,92,257
<b>Total</b>	<b>4,87,784</b>	<b>5,92,257</b>

15.1

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest income comprises:		
Interest from banks on:		
Deposits	4,87,784	5,87,632
Interest on income tax refund	-	4,625
<b>Total</b>	<b>4,87,784</b>	<b>5,92,257</b>

16 Finance costs

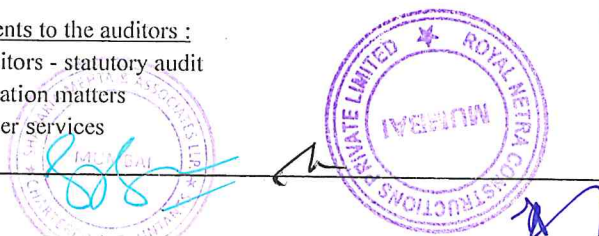
Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest expense on:		
Financial liabilities at amortized cost	8,48,712	26,55,000
Late Payment of Taxes	4,489	-
<b>Total</b>	<b>8,53,201</b>	<b>26,55,000</b>

17 Other expenses

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Hardship Compensation for Shifting	1,44,69,000	2,66,73,000
Rates and taxes	2,500	2,500
Share Dematerialisation Expenses	-	22,617
Legal and professional	12,90,793	34,79,420
ROC fees	3,000	4,200
Payments to auditors (Refer Note 17.1 below)	85,050	72,320
Donation Given	-	2,50,000
Miscellaneous expenses	3,090	6,042
<b>Total</b>	<b>1,58,53,433</b>	<b>3,05,10,099</b>

17.1 Bifurcation of payment to auditors

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Payments to the auditors :		
As auditors - statutory audit	52,600	47,200
For taxation matters	32,450	22,170
For other services	-	2,950
	<b>85,050</b>	<b>72,320</b>



Royal Netra Constructions Pvt Ltd  
Notes forming part of the financial statements

17.2 Bifurcation of Other Expenses

(Amount in Rs.)

Particulars	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	[ H.O. ]	[ W-I-P ]	[ H.O. ]	[ W-I-P ]
Hardship Compensation for Shifting	-	1,44,69,000	-	2,66,73,000
Rates and taxes	2,500	-	2,500	-
Legal and professional	12,90,793	-	28,89,420	5,90,000
Share Dematerialisation Expenses	-	-	22,617	-
ROC Fees	3,000	-	4,200	-
Donation Given	-	-	2,50,000	-
Payments to auditors	85,050	-	72,320	-
Miscellaneous expenses	3,090	-	6,042	-
<b>Total :</b>	<b>13,84,433</b>	<b>1,44,69,000</b>	<b>32,47,099</b>	<b>2,72,63,000</b>





Royal Netra Constructions Pvt Ltd  
Notes forming part of the financial statements

18 Segment Reporting

The Company is in the business of real estate development which is the only reportable operating segment. Hence, separate disclosure requirements of Ind AS-108 Segment Reporting are not applicable.

19 Related Party Disclosure

As per Indian Accounting Standard 24 (Ind AS 24) 'Related Party Disclosures', the disclosure of transactions with the related parties as defined in Ind AS 24 is given below:

A List of Related Parties with whom transactions have taken place and their relationship:

a) Holding Company

D B Realty Ltd

b) Key Management Personnel

Mr. Satish Agarwal

Mr. Jesing Kuman ( Date of Appointment : 02.04.2018 )

B. Transactions with Related Parties and outstanding balances as on 31.03.2021

(Amount in Rs.)				
Sr No	Description	Holding Company	Key Management Personnel	Total
1	Transaction during the year			
	Taken during the year	5,20,00,000 (54,000)	nil -	5,20,00,000 (54,000)
	Repaid during the year	nil -	nil -	nil -
	Interest on Loan	nil	nil	nil
2	Closing Balance			
	Loan	43,58,82,000 (38,38,82,000)	nil (70,00,000)	43,58,82,000 (39,08,82,000)
3	Accrued Net Interest On Loan	6,23,77,202 (6,23,77,202)	nil nil	6,23,77,202 (6,23,77,202)

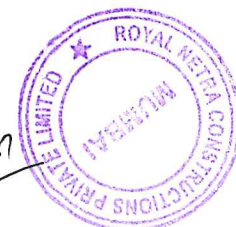
Notes :

- 1.) Related parties have been identified by the Management
- 2.) Figures in bracket relates to the previous year
- 3.) Previous years figures regrouped / rearranged, wherever necessary

20 Earnings Per Share:

The Profit / (Loss) considered in ascertaining the Company's Earnings Per Share comprises the net profit / (loss) after tax. The number of shares used in computing Basic and Diluted Earnings Per share is the weighted average number of shares outstanding during the period

Particulars	(Amount in Rs.)	
	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Net Profit / ( Loss ) after tax as per Statement of Profit & Loss	(15,20,039)	(32,42,474)
Weighted Number of Shares outstanding during the year	1,50,000	1,50,000
Basic & Diluted Earnings per Share	(10.13)	(21.62)
Face value per Equity Share	100	100



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**Royal Netra Constructions Pvt Ltd**  
**Notes forming part of the financial statements**

**21 Deferred Tax**

As of year end, the Company has net deferred tax asset on account of unabsorbed depreciation and business losses. In view of uncertainty to its realisation, as a matter of prudence, the management of the Company has decided not to recognise such deferred tax asset in accordance with Ind AS -12 dealing with Accounting for Income Tax on Income.

**22 Contingent Liability :**

There is no contingent liability as on 31st March, 2021

**23 Financial Instruments**

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 2.6 of the Ind AS financial statements.

**23.1 Financial assets and liabilities:**

The carrying value of financial instruments by categories as of 31st March, 2021 were as follows:

Particulars	(Amount in Rs.)	
	Amortised Cost	Carrying amount As at 31st March, 2021
<b>Financial assets:</b>		
(i) Cash and Cash Equivalents (Refer Note No.5 )	12,96,450	12,96,450
(ii) Other balances with Bank (Refer Note No. 6 )	88,00,000	88,00,000
(iii) Loans (Refer Note No.7 )	2,50,000	2,50,000
<b>Total</b>	<b>1,03,46,450</b>	<b>1,03,46,450</b>
<b>Financial liabilities:</b>		
(i) Borrowings (Refer Note No.11 )	58,82,65,036	58,82,65,036
(ii) Trade payables (Refer Note No. 12 )	13,94,00,000	13,94,00,000
(iii) Other financial liabilities (Refer Note No. 13 )	3,80,31,992	3,80,31,992
<b>Total</b>	<b>76,56,97,028</b>	<b>76,56,97,028</b>

The carrying value of financial instruments by categories as of 31st March, 2020 were as follows:

Particulars	(Amount in Rs.)	
	Amortised Cost	Carrying amount As at 31st March, 2020
<b>Financial assets:</b>		
(i) Cash and Cash Equivalents (Refer Note No.5 )	12,51,368	12,51,368
(ii) Other balances with Bank (Refer Note No. 6 )	88,00,000	88,00,000
(iii) Loans (Refer Note No.7 )	2,50,000	2,50,000
<b>Total</b>	<b>1,03,01,368</b>	<b>1,03,01,368</b>
<b>Financial liabilities:</b>		
(i) Borrowings (Refer Note No.11 )	56,16,05,036	56,16,05,036
(ii) Trade payables (Refer Note No. 12 )	13,95,89,000	13,95,89,000
(iii) Other financial liabilities (Refer Note No. 13 )	3,69,49,500	3,69,49,500
<b>Total</b>	<b>73,81,43,536</b>	<b>73,81,43,536</b>



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**23.2 Financial Risk Management:**

The Board of Directors reviews the risk management policy from time to time and the said policy aims at enhancing shareholders' value and providing an optimum risk-reward trade off. The risk management approach is based on clear understanding of variety of risk that the organisation faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market conditions. Market risk comprises two types of risk: interest rate risk and liquidity risk. Financial instruments affected by market risk include loans and borrowings.



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**(A) Interest 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 debt obligations with floating interest rates. However, the Company does not have any borrowings with floating rate of interest and thus sensitivity analysis is not disclosed.

**(B) Liquidity Risk:**

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of loans. The Company has access to a sufficient variety of sources of funding which includes funding from holding company which is expected to be rolled over in case of any liquidity gap. Further, the Company is adequately supported by the holding company to provide financial stability.

**Signatures to Notes 1 to 23**

In terms of our report of even date attached.

For Shaparia Mehta & Associates LLP  
Chartered Accountants  
Firm Registration No.: 112350W / W-100051

For Royal Netra Constructions Pvt Ltd

Partner  
Name: Sanjiv B Mehta  
Membership No: 034950

Place : Mumbai  
Date : 11th June, 2021



Director

Director

