

SHRACHI BURDWAN DEVELOPERS PRIVATE LIMITED

**BALANCE SHEET AS AT 31ST MARCH, 2020 AND STATEMENT OF PROFIT &
LOSS FOR THE YEAR ENDED ON THAT DATE**

**G.P. AGRAWAL & CO.
CHARTERED ACCOUNTANTS**

Independent Auditor's Report
To the Members of Shrachi Burdwan Developers Private Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Shrachi Burdwan Developers Private Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31st March, 2020, the standalone Statement of Profit and Loss, the standalone Statement of Cash Flows for the year then ended, and notes to standalone financial statement, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of matter

We draw attention to Note No. 3.40 of the Standalone Financial Statements which explains the management's assessment that there is no significant impact of COVID-19 pandemic on the Standalone Financial Statement for the year ended 31st March, 2020. Our opinion is not modified in respect of this matter

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

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

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



Independent Auditor's Report (Contd.)

To the Members of **Shrachi Burdwan Developers Private Limited**

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

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

Responsibilities of the Management and Those Charged with Governance for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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



Independent Auditor's Report (Contd.)

To the Members of **Shrachi Burdwan Developers Private Limited**

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has an 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 ability of the Company 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings 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.



Independent Auditor's Report (Contd.)

To the Members of Shrichi Burdwan Developers Private Limited

Other Matter

Due to the COVID-19 pandemic, nationwide lockdown and other travel restrictions are imposed by the Government/local administration, hence, the audit processes were carried out electronically by remote access. The necessary records were made available by the management through digital medium and were accepted as audit evidence while reporting for the current period.

The Financial Statement of the company for the year ended 31st March 2019, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those financial statements on 27th September 2019.

Our opinion is not modified in respect of above matters.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 standalone Balance Sheet, the standalone Statement of Profit and Loss and the standalone Statement of Cash flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as at 31st March, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as at 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
3. 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:



Independent Auditor's Report (Contd.)

To the Members of Shrichi Burdwan Developers Private Limited

- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 3.27 to the Standalone financial statements.
 - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the Company.
4. 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:

According to the information and explanation given to us and as per records examined by us, the provisions of Section 197 is not applicable to the company. The Ministry of Corporate Affairs has not prescribed other details under 197(16) which are required to be commented upon.

Place of Signature: Kolkata
Date: 14th Day of September 2020

For G. P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E


(CA. Ajay Agrawal)
Partner

Membership No. 17643

UDIN: 20017643 AAAAG86412



Independent Auditor's Report (Contd.)

To the Members of Shrichi Burdwan Developers Private Limited

"Annexure A" to the Auditor's Report

Statement referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Shrichi Burdwan Developers Private Limited on the standalone financial statements for the year ended 31st March, 2020.

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) The fixed assets have been physically verified by the management during the year. As informed, no material discrepancy was noticed on such verification and in our opinion the periodicity of such physical verification is reasonable having regard to the size of the Company and nature of its assets.
- c) According to the information and explanation given to us and on the basis of examination of records of the company, the title deeds of immovable property are held in the name of the company.
- (ii) According to the information and explanation given to us, the inventories have been physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanation given to us and based on our examination of the records of the company, the Company has granted loans to three bodies corporate covered in the register maintained under section 189 of the Act. The Company has not granted any loans, secured or unsecured to firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act.
- a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of loans granted by the company to the above one company are not, prima facie, prejudicial to the interest of the Company. However, the terms and condition on which unsecured loans have been granted to two companies covered in the register maintained under section 189 of the Act (total loan amount granted Rs. 98,712,753/- and the balance outstanding as at 31st March 2020 is Rs. 396,426,836/-) are prima facie. Prejudicial to the interest of the company as the loan is interest free.
- b) In the case of the loans granted to the body corporate listed in the register maintained under section 189 of the Act, the loans are repayable on demand and have been repaid as and when demanded.
- c) There are no overdue amounts in respect of the loan granted to bodies corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us and as per records examined by us, there is no guarantee and security granted in respect of which provisions of Section 185 and 186 of the Act are applicable. Based on our audit procedures



Independent Auditor's Report (Contd.)

To the Members of Shracchi Burdwan Developers Private Limited

"Annexure A" to the Auditor's Report (Contd.)

performed and according to information and explanations given by the management, the Company has complied with provisions of Section 186 of the Act in respect of loans granted and investments made during the year.

- (v) The Company has not accepted any deposit within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.
- (vi) According to information and explanations given to us, the central government has not prescribed the maintenance of cost records under sec 148(1) of the Act in respect of services rendered by the company. Accordingly, provisions of paragraph 3(vi) of the order are not applicable to the company.
- (vii) (a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and service tax, cess or any other statutory dues, to the extent applicable, have been regularly deposited with appropriate authorities. According to the information and explanations given to us and as per records examined by us, there were no undisputed outstanding statutory dues as at 31st March, 2020 for a period of more than six months from the date of becoming payable.
- (b) According to the information and explanation given to us, the disputed statutory dues amounting to Rs. 26,620,696/- that have not been deposited on account of matters pending before appropriate authority are as under.

| Sl. No. | Name of the Statute | Nature of dues | Period to which pertain | Amount (In Rs.) | Forum where the dispute is pending |
|---------|----------------------|----------------|-------------------------|-----------------|---|
| 01. | Income Tax Act, 1961 | Income Tax | F.Y. 2016-17 | 26,620,696 | Appeal with Commissioner of Income Tax (Appeal) |

- (viii) According to the information and explanation given to us and as per records examined by us, the Company has not defaulted in repayment of any loans or borrowing from financial institution, bank or The Company did not have any dues from government. However, the company has delayed in payment of interest on debentures to debenture holder.

- (ix) According to the information and explanation given to us and as per records examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Company has utilized the money raised by the way of term loan during the year for the purpose for which they were raised.




Independent Auditor's Report (Contd.)

To the Members of Shrichi Burdwan Developers Private Limited

Annexure A" to the Auditor's Report (Contd.)

- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanation given to us and as per records examined by us, the provisions of sec 197 of the Act are not applicable to the company. Accordingly, provisions of paragraph 3(xii) of the order are not applicable to the company.
- (xii) According to the information and explanation given to us and as per records examined by us, the Company is not a Nidhi company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the company.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year under the provisions of section 192 of the Act. Accordingly, clause (xv) of paragraph 3 of the said Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For G.P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E


(CA) Ajay Agrawal
Partner

Membership No. 17643

Place of Signature: Kolkata
Date: 14th Day of September 2020

UDIN: 20017643AAAAG96412



Independent Auditor's Report (Contd.)
To the Members of Shrichi Burdwan Developers Private Limited

"Annexure B" to the Independent Auditor's Report of Even Date on the Standalone Financial Statements of Shrichi Burdwan Developers Private Limited

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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



"Annexure B" to the Independent Auditor's Report (Contd.)

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For G.P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E


(CA. Ajay Agrawal)
Partner

Place of Signature: Kolkata
Date: 14th Day of September 2020

Membership No. 17643
UDIN: 20017643AAAAG96412



Shrachi Burdwan Developers Private Limited

Standalone Balance Sheet

as at 31 March 2020

(Currency : Indian rupees)

| | Note | As at 31st March'2020 | As at 31st March'2019 |
|--|------|-----------------------------|-----------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 3.1 | 63,094,510 | 63,094,510 |
| Reserves and surplus | 3.2 | 174,092,203 | 165,330,822 |
| | | <u>237,186,713</u> | <u>228,425,332</u> |
| Non-current liabilities | | | |
| Long-term borrowings | 3.3 | 88,077,900 | 90,616,816 |
| Long-term provisions | 3.4 | 2,528,642 | 4,036,479 |
| | | <u>90,606,542</u> | <u>94,653,295</u> |
| Current liabilities | | | |
| Short-term borrowings | 3.5 | 496,127,417 | 502,593,004 |
| Trade payables | 3.6 | - | - |
| - Total outstanding dues of micro enterprises and small enterprises | | - | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | | 182,633,311 | 206,433,239 |
| Other current liabilities | 3.7 | 76,197,179 | 81,936,429 |
| Advance from customers against property bookings | 3.7 | 310,237,596 | 121,962,924 |
| Short-term provisions | 3.8 | 26,400,840 | 25,947,639 |
| | | <u>1,091,596,343</u> | <u>938,873,235</u> |
| TOTAL | | <u><u>1,419,389,598</u></u> | <u><u>1,261,951,862</u></u> |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3.9 | 135,950,583 | 144,408,926 |
| Intangible Assets | 3.9 | 241,005 | - |
| Deferred tax assets | 3.10 | 15,780,115 | 16,360,454 |
| Non-current investment | 3.11 | 100,000 | 100,000 |
| Long-term loans and advances | 3.12 | 2,079,886 | 1,685,886 |
| Other non-current assets | 3.13 | 1,181,000 | - |
| | | <u>155,332,589</u> | <u>162,555,266</u> |
| Current assets | | | |
| Inventories | 3.14 | 787,389,069 | 669,024,747 |
| Trade receivables | 3.15 | - | - |
| Cash and bank balances | 3.16 | 23,398,717 | 22,057,851 |
| Short-term loans and advances | 3.17 | 440,199,090 | 397,133,878 |
| Other current assets | 3.18 | 13,070,133 | 11,180,120 |
| | | <u>1,264,057,009</u> | <u>1,099,396,596</u> |
| TOTAL | | <u><u>1,419,389,598</u></u> | <u><u>1,261,951,862</u></u> |

Significant accounting policies

2

Notes to the standalone financial statements

3.1-3.40

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date attached.

For G.P. Agrawal & Co.

Chartered Accountants

Firm's Registration No.: 302082E

(CA. Ajay Agrawal)

Partner

Membership No.: 17643

Place: Kolkata

Date: 14 September 2020

For and on behalf of the Board of Directors of

Shrachi Burdwan Developers Private Limited

CIN: U45200WB2006PTC111545

Ravi Todi

Director

DIN: 00080388

Place: Kolkata

Date: 14 September 2020

Rahul Todi

Director

DIN: 00080441



Shrachi Burdwan Developers Private Limited

Standalone Statement of Profit and Loss

for the year ended 31 March 2020

(Currency: Indian rupees)

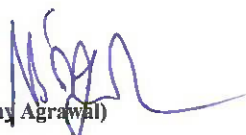
| | Note | For the year ended 31st March'2020 | For the year ended 31st March'2019 |
|---|------|---------------------------------------|---------------------------------------|
| Income | | | |
| Revenue from operations | 3.19 | 285,927,105 | 430,654,974 |
| Other income | 3.20 | 4,746,880 | 2,480,949 |
| Total income | | 290,673,985 | 433,135,923 |
| Expenses | | | |
| Net increase / (decrease) in inventories of project work-in-progress and finished developed units | 3.21 | (118,364,322) | 73,076,713 |
| Construction costs | 3.22 | 264,431,433 | 181,890,015 |
| Employee benefits expense | 3.23 | 33,023,500 | 40,450,887 |
| Finance costs | 3.24 | 22,783,814 | 41,562,902 |
| Depreciation and amortisation expense | 3.9 | 6,485,517 | 6,907,699 |
| Other expenses | 3.25 | 68,914,026 | 78,475,446 |
| Total expenses | | 277,273,968 | 422,363,662 |
| Profit before tax | | 13,400,017 | 10,772,261 |
| Income Tax expenses | | | |
| Current tax | | 3,360,376 | 3,746,849 |
| Deferred tax charge (release) | 3.10 | 580,339 | (2,543,957) |
| Income tax for earlier years written back | | - | (520,040) |
| Profit for the year | | 9,459,302 | 10,089,409 |
| Earnings per equity share | | | |
| Basic and diluted | 3.26 | 2.69 | 2.87 |
| [nominal value of share Rs. 10 each (2019: Rs. 10)] | | | |

Significant accounting policies 2
Notes to the standalone financial statements 3.1-3.40

The accompanying notes are an integral part of these standalone financial statements


As per our report of even date attached.

For G.P. Agrawal & Co.
Chartered Accountants
Firm's Registration No.: 302082E


(CA. Ajay Agrawal)
Partner
Membership No.: 17643

Place: Kolkata
Date: 14 September 2020

For and on behalf of the Board of Directors of
Shrachi Burdwan Developers Private Limited
CIN: U45200WB2006PTC111545


Ravi Todi
Director
DIN: 00080388

Place: Kolkata
Date: 14 September 2020


Rahul Todi
Director
DIN: 00080441



Shrachi Burdwan Developers Private Limited

Standalone Cash Flow Statement for the year ended 31 March 2020

(Currency: Indian rupees)

| | For the year ended 31st March'2020 | For the year ended 31st March'2019 |
|---|---------------------------------------|---------------------------------------|
| A Cash flow from operating activities | | |
| Net profit before tax | 13,400,017 | 10,772,261 |
| Adjustments for: | | |
| Finance costs | 22,783,814 | 41,562,902 |
| Interest income | (2,141,608) | (2,414,924) |
| Depreciation expense | 6,485,517 | 6,907,699 |
| Advances / sundry balance written off | 892,109 | 47,843 |
| Operating cash flow before working capital changes | 41,419,849 | 56,875,781 |
| Changes in working capital | | |
| Increase / (decrease) in trade payables | (23,799,928) | 15,931,006 |
| Increase/ (decrease) in long-term provisions | (1,507,837) | (60,635) |
| Increase/ (decrease) in trade payables | (589,182) | 213,621 |
| Increase/ (decrease) in other current liabilities | (892,792) | 4,105,718 |
| Decrease/(Increase) in Advance from customers against property bookings | 188,274,672 | (64,336,391) |
| Decrease/(Increase) in long-term loans and advances | (394,000) | (491,958) |
| Decrease/(Increase) in short-term loans and advances | (43,957,321) | (63,806,137) |
| Decrease/(Increase) in other current assets | (761,220) | (622,004) |
| Decrease/(Increase) in inventories | (46,128,574) | 115,595,723 |
| Cash (used in) / generated by operations | 111,663,667 | 63,404,724 |
| Income taxes paid | (2,539,735) | (8,770,019) |
| Net cash (used in) / generated by operating activities (A) | 109,123,932 | 54,634,705 |
| B Cash flow from investing activities | | |
| Additions to property, plant & equipment and intangibles assets | (737,034) | (7,537,565) |
| Investment in bank deposits | - | (4,500,000) |
| Interest received | 1,012,815 | 1,137,735 |
| Net cash (used in) / generated by investing activities (B) | 275,781 | (10,899,830) |
| C Cash flow from financing activities | | |
| Proceeds from short term borrowings (term loan) | 55,000,000 | 187,500,000 |
| Repayment of short term borrowings (term loan) | (40,317,175) | (81,283,276) |
| Proceeds from short term borrowings availed from body corporates | 17,500,000 | 3,500,000 |
| Repayment of short term borrowings availed from body corporates (unsecured) | (24,361,771) | (25,118,420) |
| Repayment of short term borrowings availed from directors (net) | (14,286,641) | (42,205,608) |
| Proceeds from long term borrowings (secured loan) | - | 6,324,728 |
| Repayment of long term borrowings (secured loan) | (1,455,917) | (697,721) |
| Interest paid | (98,956,343) | (81,310,256) |
| Net cash (used in) / generated by financing activities (C) | (106,877,847) | (33,290,553) |
| Net (decrease) / increase in cash and cash equivalents (A+B+C) | 2,521,866 | 10,444,322 |
| Cash and cash equivalents at the beginning of year | 16,376,851 | 5,932,529 |
| Cash and cash equivalents at the end of year | 18,898,717 | 16,376,851 |
| (Refer note 3.16 to the standalone financial statements) | | |



Shrachi Burdwan Developers Private Limited

Standalone Cash Flow Statement (continued)

for the year ended 31 March 2020

(Currency: Indian rupees)

| | For the year ended 31st March'2020 | For the year ended 31st March'2019 |
|--|---------------------------------------|---------------------------------------|
| Notes: | | |
| 1. The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard -3 ('AS-3') on Cash flow statement. | | |
| 2. Components of cash and cash equivalents | | |
| Cash on hand | 215,790 | 447,038 |
| Balance with banks - in current account | 18,682,927 | 15,929,813 |
| | <u>18,898,717</u> | <u>16,376,851</u> |

3. Figure in brackets represent cash outflow from respective activities.

4. As breakup of Cash and cash equivalents is also available in Note No. 3.16, reconciliation of items of Cash and cash equivalents as per Cash Flow Statement with the respective items reported in the Balance Sheet is not required and hence not provided.

5. Comparative figures of the previous year have been regrouped where necessary to conform with those of current year.

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached.

For G.P. Agrawal & Co.
Chartered Accountants
Firm's Registration No.: 302082E

(CA. Ajay Agrawal)
Partner
Membership No.: 17643

Place: Kolkata
Date: 14 September 2020

For and on behalf of the Board of Directors of
Shrachi Burdwan Developers Private Limited
CIN: U45200WB2006PTC111545

Ravi Todi
Director
DIN: 00080388

Place: Kolkata
Date: 14 September 2020

Rahul Todi
Director
DIN: 00080441



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)
for the year ended 31 March 2020

(Currency: Indian rupees)

1 Company Overview

Shrachi Burdwan Developers Private Limited ("the Company"), was incorporated on 16 October 2006 at Kolkata, State of West Bengal as a Special Purpose Vehicle (SPV). The Company has acquired development rights in the land at Mouza Nababhat Burdwan. The objective of the Company is to develop the land into a mini township.

2 Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these standalone financial statements.

2.1 Basis of preparation of financial statements

The financial statements have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, read with Companies (Accounting Standards) Amendment Rules, 2016 applicable with effect from 1 April 2016 and other pronouncements of the Institute of Chartered Accountants of India (to the extent applicable) and the relevant provisions of the Act. The financial statements are presented in Indian rupees.

2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within twelve months after the balance sheet date; or
- it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)
for the year ended 31 March 2020

(Currency: Indian rupees)

2 Significant accounting policies (continued)

2.3 Current and non-current classification (continued)

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the balance sheet date; or
- (d) the Company does not have an unconditional right defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

2.4 Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 7 years for the purpose of current – non-current classification of assets and liabilities for current project under development and 12 months for the other assets and liabilities.

2.5 Property, plant and equipments and depreciation

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use, any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Depreciation is provided using the written down value method over the useful life as prescribed in Part C of Schedule II to the Act. Depreciation on addition/deletion of property, plant and equipment made during the year is provided on pro-rata basis from / upto the date of each addition / deletion.

Assets costing less than Rs 5,000 are fully depreciated in the year of acquisition.

Advance paid /expenditure incurred on acquisition /construction of property, plant and equipment which are not ready for their intended use at each balance sheet date are disclosed under loans and advances as advances on capital account and capital work-in-progress respectively.

Leasehold land is amortized over the period of the lease.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued) for the year ended 31 March 2020

(Currency: Indian rupees)

2 Significant accounting policies (continued)

2.6 Intangible assets (Computer Software)

Where computer software is not an integral part of a related item of computer hardware, the software is treated as an intangible asset. Intangible assets purchased are measured at cost as at the date of acquisition, less accumulated amortization and impairment losses if any. For this purpose, cost includes acquisition price, license fees, non-refundable taxes and costs of implementation/system integration services and any directly attributable expenses, wherever applicable for bringing the asset to its working condition for the intended use.

Amortization methods, estimated useful lives and residual value Computer software is amortized on a straight-line basis (without keeping any residual value) over its estimated useful lives of five years from the date they are available for use. The estimated useful lives, residual values and amortization method are reviewed at the end of each financial year and are given effect to, wherever appropriate.

The cost and related accumulated amortization are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

2.7 Impairment

The assets of the Company are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. For assets other than goodwill, the impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised. Such a reversal is recognised in the Statement of Profit and Loss.

2.8 Operating leases

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit. Initial direct costs incurred specifically for an operating lease are deferred and charged to the Statement of Profit and Loss over the lease term.

2.9 Investments

Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long-term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current/non-current classification scheme of Schedule III to the Act.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)
for the year ended 31 March 2020

(Currency: Indian rupees)

2 Significant accounting policies (continued)

2.9 Investments (continued)

Long-term investments (including current portion thereof) are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment. Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

2.10 Inventories

Inventories which comprises finished developed units and construction work-in-progress are carried at lower of cost and net realisable value. In determining the cost, weighted average cost method is used. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Direct expenses like cost of acquisition of land, site labour costs, materials used for project construction, project management consultancy, costs for moving the plant, machinery to and from the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance, borrowing costs and construction and development overheads are taken as the cost of construction work-in-progress.

2.11 Borrowing costs

Borrowing costs incurred in relation to the acquisition / construction of project property are included in inventory till the date the construction of the property is completed. Borrowing costs incurred during the construction period which are not related to the construction activity nor are incidental thereto, are charged to the Statement of Profit and Loss.

2.12 Foreign currency transactions

Foreign currency transactions are recorded at the spot rates on the date of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of Profit and Loss of the year. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the Statement of Profit and Loss.

2.13 Employee benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of receiving the service are classified as short-term employee benefits such as salaries, wages, etc. are recognised in the period in which the employee rendered the related services. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)
for the year ended 31 March 2020

(Currency: Indian rupees)

2 Significant accounting policies (continued)

2.13 Employee benefits (continued)

Defined benefit plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

When the calculation results in a benefit to the Company, the recognised asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

Post-employment benefits

Long term employment benefit

The Company's net obligation in respect of long-term employment benefits, other than gratuity, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date. The discount rates used for determining the present value of the obligation under long term employment benefits, are based on the market yields on Government securities as at the balance sheet date.

2.14 Revenue recognition

Revenue from sale of property in the course of ordinary activities is recognised when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the property and regarding its collection.

The amount recognised as revenue is exclusive of sales tax, value added taxes (VAT), service tax and goods and service tax (GST).

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)
for the year ended 31 March 2020

(Currency: Indian rupees)

2 Significant accounting policies (continued)

2.15 Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

2.16 Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.17 Income taxes

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternative Tax ('MAT')

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Income-tax Act, 1961 in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

2.18 Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)

as at 31 March 2020

(Currency: Indian rupees)

| | 2020 | 2019 |
|---|--------------------|--------------------|
| 3.1 Share capital | | |
| Authorised capital | | |
| 9,000,000 (2019: 9,000,000) equity shares of Rs 10 each | 90,000,000 | 90,000,000 |
| 17,000,000 (2019: 17,000,000) 14% non-cumulative redeemable preference shares of Rs 10 each | 170,000,000 | 170,000,000 |
| | <u>260,000,000</u> | <u>260,000,000</u> |
| Issued, subscribed and fully paid-up | | |
| 1,758,884 (2019: 1,758,884) Class "A" equity shares of Rs 10 each | 17,588,840 | 17,588,840 |
| 1,758,884 (2019: 1,758,884) Class "B" equity shares of Rs 10 each | 17,588,840 | 17,588,840 |
| 2,791,683 (2019: 2,791,683) 14% Class "D" non-cumulative redeemable preference shares of Rs 10 each | 27,916,830 | 27,916,830 |
| | <u>63,094,510</u> | <u>63,094,510</u> |

A. Reconciliation of the equity and preference shares outstanding at the beginning and at the end of the reporting year:

| | 2020 | | 2019 | |
|--|-----------|------------|-----------|------------|
| | Number | Amount | Number | Amount |
| Equity shares | | | | |
| Class "A" equity shares of Rs 10 each, fully paid-up | | | | |
| At the commencement and at the end of the year | 1,758,884 | 17,588,840 | 1,758,884 | 17,588,840 |
| Class "B" equity shares of Rs 10 each, fully paid-up | | | | |
| At the commencement and at the end of the year | 1,758,884 | 17,588,840 | 1,758,884 | 17,588,840 |

| | 2020 | | 2019 | |
|--|-----------|------------|-----------|------------|
| | Number | Amount | Number | Amount |
| Preference shares | | | | |
| 14% Class "D" non-cumulative redeemable preference shares of Rs 10 each, fully paid-up | | | | |
| At the commencement and at the end of the year | 2,791,683 | 27,916,830 | 2,791,683 | 27,916,830 |



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)

as at 31 March 2020

(Currency: Indian rupees)

3.1 Share capital (continued)

B. Rights, preferences and restrictions attached to equity shares

The Company has two classes of equity shares, Class A and Class B. The different classes of equity shares have differential rights with respect to dividend distribution and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion as determined by the shareholders of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held on differential basis as determined by the shareholders agreement.

C. Rights, preferences and restrictions attached to preference shares

14% Class "D" Non cumulative preference shares of Rs 10 each, fully paid-up of the Company are held by Bengal Shrachi Housing Development Limited. The outstanding preference shares of the Company will be redeemed at the end of twenty years from the respective dates of allotment at 50% premium.

The holders of these preference shares are entitled to a non-cumulative dividend of 14% per annum.

Preference shares carry a preferential right as to dividend over equity shareholders. Where dividend is not declared for a financial year, the entitlement for that year lapses. The preference shares are entitled to one vote per share at meetings of the Company on any resolutions of the Company directly affecting their rights. In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares.

D. Particulars of shareholders holding more than 5% shares of a class of shares

| | 2020 | | 2019 | |
|---|-----------|-----------|-----------|-----------|
| | Number | % holding | Number | % holding |
| Equity shares | | | | |
| Class "A" Equity shares of Rs 10 each, fully paid-up Haridham Construction Private Limited | 1,758,884 | 100% | 1,758,884 | 100% |
| Class "B" Equity shares of Rs 10 each, fully paid-up Bengal Shrachi Housing Development Limited | 1,758,884 | 100% | 1,758,884 | 100% |
| Preference shares | | | | |
| 14% Class "D" Non cumulative redeemable preference shares of Rs 10 each, fully paid-up Bengal Shrachi Housing Development Limited | 2,791,683 | 100% | 2,791,683 | 100% |

E. Shares reserved for issue under options and contracts/ commitments for sale of shares/ disinvestment:

For 16.75% fully convertible debentures:

The number and amount of the equity shares will be determined by the Board of Directors of the Company at the time of exit of the investors. (Also refer to note 3.3 on rights, preferences and restrictions attached to debentures).



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued) as at 31 March 2020

(Currency: Indian rupees)

| | 2020 | | 2019 | |
|--|------|----------------------------|-------------------|--------------------------|
| 3.2 Reserves and surplus | | | | |
| Securities Premium | | | | |
| At the commencement of the year | | 67,941,977 | | 68,639,898 |
| Provision for premium payable on redemption of preference shares (refer note 3.1.C) | | (697,921) | | (697,921) |
| At the end of the year | | <u>67,244,056</u> | | <u>67,941,977</u> |
| Capital Redemption Reserve | | | | |
| At the commencement of the year | | 60,849,240 | | 60,849,240 |
| Redemption of preference shares | | - | | - |
| At the end of the year | | <u>60,849,240</u> | | <u>60,849,240</u> |
| Surplus (Statement of Profit and loss) | | | | |
| At the commencement of the year | | 36,539,605 | | 26,450,196 |
| Profit for the year | | 9,459,302 | | 10,089,409 |
| At the end of the year | | <u>45,998,907</u> | | <u>36,539,605</u> |
| Total reserves and surplus | | <u>174,092,203</u> | | <u>165,330,822</u> |
| 3.3 Long-term borrowings | | | | |
| | | Non-current portion | | Current portion * |
| | | 2020 | 2019 | 2020 |
| | | | | 2019 |
| Debentures (unsecured) | | | | |
| 2,500,000 (2019: 2,500,000) 16.75% Fully convertible debentures of Rs 10 each, fully paid-up (unsecured) | | 25,000,000 | 25,000,000 | - |
| Term loans (secured) | | | | |
| Shriram Housing Finance Limited | | 59,949,212 | 60,895,875 | 10,050,788 |
| HDFC Bank Limited | | 1,491,214 | 2,174,270 | 683,056 |
| YES Bank Limited | | 631,649 | 1,262,488 | 630,839 |
| ICICI Bank Limited | | 1,005,825 | 1,284,183 | 278,358 |
| | | <u>88,077,900</u> | <u>90,616,816</u> | <u>11,643,041</u> |
| | | | | <u>10,560,042</u> |

* Amount disclosed under the head "Other current liabilities" - refer note 3.7

A. Details of security and repayment terms of loan from Shriram Housing Finance Limited

Term loan, availed in nature of lease rental discounting, from Shriram Housing Finance Limited to Rs.70,000,000 (2019 : Rs.70,000,000) is secured by mortgage the market value of the property measuring 44,897.17 Sq. ft. on the four storied school building of Renaissance Township, Mouza:Goda, Kantrapota, Isufabad, Nababhat (as per sanction plan), Mouza-Isufabad, comprised in J.L.nos.17, Dag nos.1831,1832,1699,1698,1697,1830 and at Mouza-Nababhat, J.L.no.16, Dag no.436, at Burdwan, Pincode - 713102, P.S. Burdwan, District-Burdwan, within the ambit of Burdwan Municipality and is carrying interest at SHPLR (Shriram Housing Finance Limited prime Lending Rate) of 15% p.a. minus 1% and is repayable in 180 months commencing from May 2017 as follows:

| Duration | Equated monthly installments | No of installments |
|---------------------------------|------------------------------|--------------------|
| May 2017 till October 2019 | 757,234 | 30 |
| November 2019 till October 2022 | 870,819 | 36 |
| November 2022 till October 2025 | 1,001,442 | 36 |
| November 2025 till October 2028 | 1,151,659 | 36 |
| November 2028 till October 2031 | 1,324,407 | 36 |
| November 2031 till April 2032 | 1,521,096 | 6 |

The term loan is further secured by personal guarantees given by Rahul Todi and Ravi Todi, promoter director of the Company.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)

as at 31 March 2020

(Currency: Indian rupees)

3.3 Long-term borrowings (continued)

B. Details of security and repayment terms of car loan

| Nature of security | Amount outstanding | | No of installments | Amount of each installments (including interest) |
|---|---------------------------|-------------|--------------------|--|
| | Current | Non-current | | |
| (i) Car loan taken from HDFC Bank Limited amounting to Rs. 2,849,000 on 06 February 2019 against hypothecation of vehicle, purchased there against and the same is repayable in 48 equal monthly installments. Rate of interest is 9.02% per annum. | Terms of repayment : 2020 | | | |
| | 683,056 | 1,491,214 | 35 | 70,762 |
| | Terms of repayment : 2019 | | | |
| | 625,097 | 2,174,270 | 47 | 70,762 |
| (ii) Car loan taken from YES Bank Limited amounting to Rs. 1,936,000 on 28 January 2019 against hypothecation of vehicle, purchased there against and the same is repayable in 37 equal monthly installments. Rate of interest is 9.26% per annum. | Terms of repayment : 2020 | | | |
| | 630,839 | 631,649 | 23 | 60,114 |
| | Terms of repayment : 2019 | | | |
| | 575,275 | 1,262,488 | 35 | 60,114 |
| (ii) Car loan taken from ICICI Bank Limited amounting to Rs. 1,539,729 on 15 March 2019 against hypothecation of vehicle, purchased there against and the same is repayable in 60 equal monthly installments. Rate of interest is 9.20% per annum. | Terms of repayment : 2020 | | | |
| | 278,358 | 1,005,825 | 48 | 32,080 |
| | Terms of repayment : 2019 | | | |
| | 255,545 | 1,284,183 | 60 | 32,080 |

2020

2019

3.4 Long-term provisions

Provision for employee benefits :

Gratuity (Refer note 3.31)

1,402,921

2,213,372

Compensated absences (Refer note 3.31)

1,125,721

1,823,107

2,528,642

4,036,479

3.5 Short-term borrowings

Term loan other than banks

452,236,226

437,553,401

Loan from body corporates (unsecured)

36,000,000

21,000,000

Loan from related parties (unsecured)

- Nadia Printing & Packaging Private Limited

4,419,809

26,281,580

- Loan from directors

3,471,382

17,758,023

496,127,417

502,593,004



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)

as at 31 March 2020

(Currency: Indian rupees)

3.5 Short-term borrowings (continued)

Details of security and repayment terms:

Note:

A. Term loan other than banks

(i) Sundaram Home Finance Limited

Term loan from Sundaram Home Finance Limited to Rs 22,676,881 (2019: Rs 39,000,000) is secured by first charge on following 4 units:

- (a) All that piece and parcel of land with building Ragini bungalow SSEA1/10B & Ashiana bungalow unit no SSEA1/2C land measuring an extent of 2,162 Sq. ft. with building extent 1,325 Sq. ft. and Land 2,883 Sq. ft. with Buildup area 1571 sq. ft. respectively.
- (b) All that piece and parcel of land with building of RBD Anchor Store, Banquet Hall ,ground floor first floor shop, with building extent 5,865.09 sq.ft.
- (c) All that piece and parcel of land with building Ishana bungalow unit no SSEA1/5C & Pavani bungalow unit no SSEA1/7C, land measuring an extent of 5,766 Sq.ft with building extent 1,915 Sq.ft and Land 2,883 Sq.ft with Buildup area 1,718 sq ft.
- (d) All that piece and parcel of land with building of Arushi bungalow unit no SSEA1/9B , land measuring an extent of 2,169 Sq.ft with building extent 1,596 Sq.ft.

All the above properties situated at PLOT NO 41 Satellite Township Project, Belkash Gram Panchayat/ Goda/ Kantrapota/ Nababhat/ Isufabad Village Goda Village, Burdwan Taluk, Burdwan Town, Burdwan-713102, Burdwan District West Bengal State.

The above term loan is secured by personal guarantee of the Ravi Todi and Rahul Todi, promoter directors of the Company.

This term loan is repayable in 48 equal monthly instalments starting from April 2018, amount of each monthly instalment is Rs.1,051,120. The term loan carry's interest @ 13.25% p.a. ,which is variable in line with SH-PLR.

(ii) JM Financial Credit Solutions Limited

Term loan from JM Financial Credit Solutions Limited to Rs 197,565,601 (2019: Rs 218,497,657) is secured by

- (a) Land and unsold area of approximately 182,503 sq. ft. along with all sold receivable in project Renaissance Phase I
- (b) Land and unsold area of approximately 616,273 sq. ft. along with all sold receivable in project Renaissance Phase II

All the above properties situated at PLOT NO 41 Satellite Township Project, Belkash Gram Panchayat/ Goda/ Kantrapota/ Nababhat/ Isufabad Village Goda Village, Burdwan Taluk, Burdwan Town, Burdwan-713102, Burdwan District West Bengal State.

The above term loan is secured by personal guarantee of the Ravi Todi and Rahul Todi, promoter directors of the Company.

The repayment mechanism is as follows:

The sale proceeds received by the Company from the sale of plots and apartments in the project Renaissance Phase I and Phase II will be routed through escrow accounts and 75% of the amount credited from sale of plots and 30% of the amount credited from sale of apartments will be utilised towards principal / interest repayment.

The term loan carry's interest @ 15.00% p.a. The interest rate has been revised to 15.50 % p.a. w.e.f 01st December 2018 and the same has been revised to 16.00 % p.a. w.e.f 01st May 2019.

(ii) Centrum Financial Services Limited

Term loan from Centrum Financial Services Limited to Rs 230,954,901 (2019: Rs 187,500,000) is secured by

- (a) Land and unsold area of approximately 275,162 sq. ft. along with all sold receivable in project Renaissance Part 1 Plots.
- (b) Land and unsold area of approximately 2,239 sq. ft. along with all sold receivable in project Renaissance Part 2 Mixed Plots.
- (c) Land and unsold area of approximately 93,362 sq. ft. along with all sold receivable in project Renaissance Part 3 Plots for Bunglow.

(d) Land and unsold area of approximately 117,576 sq. ft. along with all sold receivable in project Renaissance Part 4 Plots for Twin house.

(e) Land and unsold area of approximately 202,046 sq. ft. along with all sold receivable in project Renaissance Part 5 for Smart Homes.

All the above properties situated at Satellite Township Project, Belkash Gram Panchayat/ Goda/ Kantrapota/ Nababhat/ Isufabad Village Goda Village, Burdwan Taluk, Burdwan Town, Burdwan-713102, Burdwan District West Bengal State.

The above term loan is secured by personal guarantee of the Ravi Todi and Rahul Todi, promoter directors of the Company.

The term loan carry's interest @ 14.50% p.a. and the same has been revised to 15.75 %p.a. wef 01st November 2018



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued) as at 31 March 2020

(Currency: Indian rupees)

3.5 Short-term borrowings (continued)

B. Loan from body corporates

| | Amount | | Rate of interest p.a. | Maturity period |
|---------------------------|------------|------------|-----------------------|---------------------------------------|
| | 2020 | 2019 | | |
| Loan from body corporates | 36,000,000 | 21,000,000 | 12%- 16% | 0 - 180 days , Repayable on demand |

C. Loan taken from directors

The Company has taken interest free loan from the directors Mr. Ravi Todi and Mr. Rahul Todi for Rs 400,000 (2019 : Rs 5,610,200) and Rs 30,71,382 (2019 : Rs 12,147,823) respectively and the same is repayable on demand.

D. Loan from Nadia Printing & Packaging Private Limited :-

The Company has taken loan carrying interest @ 13.00% p.a. and the same is repayable on demand. The interest rate has been increase to 17.50 % wef 01 April 2018 and 19.50% wef 01 April 2019

| | 2020 | 2019 |
|--|--------------------|--------------------|
| 3.6 Trade payables | | |
| Total outstanding dues of micro enterprises and small enterprises (Refer note 3.30) | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | |
| - Other payables | 182,633,311 | 203,607,575 |
| - Retention money payable to contractors | - | 2,825,664 |
| | <u>182,633,311</u> | <u>206,433,239</u> |
| 3.7 Other current liabilities | | |
| Accrued premium on redemption of preference shares (refer note 3.1.C) | 9,277,937 | 8,580,016 |
| Current maturities of long-term borrowings (refer note 3.3) | 11,643,041 | 10,560,042 |
| Interest accrued and due on borrowings | 4,468,749 | 9,479,859 |
| Interest accrued but not due on borrowings | 22,591 | 1,638,859 |
| Employee benefits payable | 4,776,880 | 4,076,375 |
| Advance from customers against rent | - | 837,456 |
| Payable on cancellation of bookings | 8,728,335 | 8,728,335 |
| Other maintenance deposits from customers | 10,991,228 | 10,758,692 |
| Capital equipment deposit | 6,489,276 | 6,489,276 |
| Corpus deposit | 15,887,796 | 14,850,856 |
| Statutory dues payable | | |
| - Provident fund, professional tax and employees' state insurance payable | 245,391 | 450,767 |
| - Goods and Service tax payable | 475,791 | 437,575 |
| - Tax deducted at source payable | 2,905,907 | 4,759,662 |
| - Labour cess payable | 284,257 | 288,659 |
| | <u>76,197,179</u> | <u>81,936,429</u> |
| Advance from customers against property bookings | 310,237,596 | 121,962,924 |
| | <u>386,434,775</u> | <u>203,899,353</u> |
| 3.8 Short-term provisions | | |
| Provision for employee benefits: | | |
| Compensated absences (refer note 3.31) | 427,769 | 1,016,951 |
| Provision for taxation [net of advance tax Rs 31,242,573 (2019: Rs 44,198,316)] | 25,973,071 | 24,930,688 |
| | <u>26,400,840</u> | <u>25,947,639</u> |



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued) as at 31 March 2020

(Currency: Indian rupees)

3.9 Property, plant and equipment and Intangible Assets

| Particulars | Property, plant and equipment | | | | | | | | | | Intangible Assets |
|--|-------------------------------|-----------------|-----------------|----------------------|------------------------|------------|--------------------------|-------------------|-------------|----------|-------------------|
| | Leasehold land | Office building | School building | Plant and equipments | Furniture and fittings | Motor cars | Computer and accessories | Office equipments | Total | Software | |
| Gross block | | | | | | | | | | | |
| Balance as at 1 April 2018 | 4,185,599 | 7,281,114 | 142,945,903 | 1,388,823 | 993,691 | 5,036,910 | 1,576,820 | 1,098,316 | 164,507,176 | - | |
| Additions | - | - | - | 265,814 | 231,904 | 6,722,114 | 244,445 | 73,288 | 7,537,565 | - | |
| Balance as at 31 March 2019 | 4,185,599 | 7,281,114 | 142,945,903 | 1,654,637 | 1,225,595 | 11,759,024 | 1,821,265 | 1,171,604 | 172,044,741 | - | |
| Balance as at 1 April 2019 | | | | | | | | | | | |
| Additions during the year | 4,185,599 | 7,281,114 | 142,945,903 | 1,654,637 | 1,225,595 | 11,759,024 | 1,821,265 | 1,171,604 | 172,044,741 | - | |
| Balance as at 31 March 2020 | 4,185,599 | 7,281,114 | 142,945,903 | 220,035 | 1,225,595 | 11,839,849 | 1,846,689 | 1,312,354 | 467,034 | 270,000 | |
| Accumulated depreciation | | | | | | | | | | | |
| Balance as at 1 April 2018 | 174,213 | 5,747,643 | 4,997,296 | 1,175,721 | 892,371 | 4,004,777 | 1,456,217 | 984,445 | 19,432,683 | - | |
| Depreciation for the year | 43,858 | 439,698 | 6,863,841 | 82,279 | 42,335 | 522,104 | 130,195 | 78,822 | 8,203,132 | - | |
| Accumulated depreciation on disposals | - | - | - | - | - | - | - | - | - | - | |
| Balance as at 31 March 2019 | 218,071 | 6,187,341 | 11,861,137 | 1,258,000 | 934,706 | 4,526,881 | 1,586,412 | 1,063,267 | 27,635,815 | - | |
| Balance as at 1 April 2019 | 218,071 | 6,187,341 | 11,861,137 | 1,258,000 | 934,706 | 4,526,881 | 1,586,412 | 1,063,267 | 27,635,815 | - | |
| Depreciation/Amortisation for the year | 43,858 | 249,522 | 6,412,664 | 108,600 | 69,050 | 1,827,274 | 154,583 | 60,828 | 8,925,377 | 28,995 | |
| Accumulated depreciation on disposals | - | - | - | - | - | - | - | - | - | - | |
| Balance as at 31 March 2020 | 261,929 | 6,435,863 | 18,273,801 | 1,366,600 | 1,003,756 | 6,354,155 | 1,740,995 | 1,124,095 | 36,561,192 | 28,995 | |
| Net block | | | | | | | | | | | |
| As at 31 March 2019 | 3,967,528 | 1,093,773 | 131,084,766 | 396,637 | 290,889 | 7,232,143 | 234,853 | 108,337 | 144,408,926 | - | |
| As at 31 March 2020 | 3,923,670 | 845,251 | 124,672,102 | 508,072 | 221,839 | 5,485,694 | 105,694 | 188,259 | 135,950,583 | 241,005 | |

Note: Depreciation amounting to Rs 2,468,856 (2019: Rs 1,295,433) has been transferred to construction cost (refer note 3.22)



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)

as at 31 March 2020

(Currency: Indian rupees)

| | 2020 | 2019 |
|---|-------------------|-------------------|
| 3.10 Deferred tax assets (net) | | |
| Deferred tax assets : | | |
| Difference between book depreciation and depreciation as per the Income-tax Act, 1961 | 1,404,245 | 1,322,790 |
| Disallowances as per the Income-tax Act, 1961 | 13,631,800 | 13,631,800 |
| Other disallowances | 744,070 | 1,405,864 |
| | <u>15,780,115</u> | <u>16,360,454</u> |
| Deferred tax assets | <u>15,780,115</u> | <u>16,360,454</u> |
| <p>The Company has elected to exercise the option permitted under Section 115BAA of the Income Tax Act 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 for the year ended 31st March 2020 and has accordingly re-measured its deferred tax assets/(liabilities) basis on the rate prescribed in the said section.</p> | | |
| 3.11 Non-current investments | | |
| <i>(Valued at cost unless otherwise stated)</i> | | |
| Trade investment (unquoted) | | |
| <i>Investment in equity instruments</i> | | |
| <i>In wholly owned subsidiary</i> | | |
| 10,000 (2019: 10,000) Renaissance Maintenance Private Limited | 100,000 | 100,000 |
| (Face value per share of Rs 10 each) | <u>100,000</u> | <u>100,000</u> |
| Aggregate book value of unquoted non current investments | 100,000 | 100,000 |
| 3.12 Long-term loans and advances | | |
| <i>(Unsecured and considered good)</i> | | |
| Security deposit | 1,925,986 | 1,531,986 |
| Advance income tax [net of provision Rs 3,042,640 (2019 : Rs 3,042,640)] | 153,900 | 153,900 |
| | <u>2,079,886</u> | <u>1,685,886</u> |
| 3.13 Other non-current assets | | |
| Bank deposits due to mature after 12 months of the reporting date* | 1,181,000 | - |
| | <u>1,181,000</u> | <u>-</u> |

*The bank deposit is under lien with bank for guarantee given to The Regional Manager, West Bengal State Electricity Distribution Company Limited.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued) as at 31 March 2020

(Currency: Indian rupees)

| | 2020 | 2019 |
|---|--------------------|--------------------|
| 3.14 Inventories | | |
| <i>(Valued at lower of cost and net realisable value)</i> | | |
| <i>Construction work in progress</i> | | |
| Development rights | 169,649,306 | 178,322,205 |
| Construction costs | 377,008,920 | 278,634,391 |
| Borrowing costs | 127,898,665 | 76,661,013 |
| Depreciation expense | 6,598,257 | 4,654,106 |
| Other expenses | 43,204,152 | 26,597,262 |
| | <u>724,359,300</u> | <u>564,868,977</u> |
| Finished developed units | <u>63,029,769</u> | <u>104,155,770</u> |
| | <u>787,389,069</u> | <u>669,024,747</u> |
| 3.15 Trade receivables | | |
| <i>(Unsecured, considered doubtful)</i> | | |
| Receivables outstanding for a period exceeding six months from the date they became due for payment | 289,980 | 289,980 |
| Provision for bad and doubtful debts | (289,980) | (289,980) |
| | <u>-</u> | <u>-</u> |
| 3.16 Cash and bank balances | | |
| Cash and cash equivalents | | |
| Cash on hand | 215,790 | 447,038 |
| Balances with banks : | | |
| - on current accounts | 17,893,637 | 12,356,063 |
| - on current accounts (Earmarked) | 789,290 | 3,573,750 |
| Other Bank Balance | | |
| In Fixed Deposit account | 4,500,000 | 5,681,000 |
| | <u>23,398,717</u> | <u>22,057,851</u> |
| Details of bank balances / deposits: | | |
| Bank balance available on demand/ deposit with original maturity of 3 months or less included under 'Cash and cash equivalents' | 18,682,927 | 15,929,813 |
| Deposits due to mature within 12 months of the reporting date included under 'Other bank balances' | 4,500,000 | 5,681,000 |
| Bank deposits due to mature after 12 months of the reporting date included under 'Other non-current assets' (refer note 3.13) | 1,181,000 | - |
| | <u>24,363,927</u> | <u>21,610,813</u> |

Details of fixed deposits with banks

A) The bank deposit with Yes Bank for Rs 1,181,000 (2019: Rs 11,81,000) is under lien with bank for guarantee given to The Regional Manager, West Bengal State Electricity Distribution Company Limited.

B) The bank deposit with HDFC Bank Limited for Rs 4,500,000 (2019: Rs Nil) is towards interest reserve account equivalent to 1.5 months' interest with Centrum Financial Services Limited.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued) as at 31 March 2020

(Currency: Indian rupees)

| | 2020 | 2019 |
|---|--------------------|--------------------|
| 3.17 Short-term loans and advances | | |
| <i>(Unsecured, considered good)</i> | | |
| <i>To parties other than related parties</i> | | |
| Prepaid expenses | 950,749 | 1,189,034 |
| Advance to suppliers | 250,744 | 2,292,739 |
| Mobilisation advances | 145,685 | 293,969 |
| Advances to employees | 304,941 | 144,000 |
| Deposit paid for legal case | 10,724,066 | 10,724,066 |
| Other advance | 6,506,974 | 2,163,091 |
| Goods and service tax receivable | 16,840,447 | 13,160,390 |
| <i>To related parties</i> | | |
| Short-term loans to related parties * (refer note 3.28) | | |
| - Shrachi Virtuous Retail Projects Private Limited | 8,048,648 | 8,048,648 |
| - Neobeam Properties Private Limited (interest free) | 250,000,000 | 250,000,000 |
| - Renaissance Maintenance Private Limited (interest free) | 146,426,836 | 109,117,941 |
| | <u>440,199,090</u> | <u>397,133,878</u> |

* Short-term loan to related party:

- a) Shrachi Virtuous Retail Projects Private Limited, a company in which key management personnel can exercise significant influence.
- b) Neobeam Properties Private Limited, a company in which key management personnel can exercise significant influence.
- c) Renaissance Maintenance Private Limited, a wholly owned subsidiary of the Company.

3.18 Other current assets

(Unsecured, considered good)

| | | |
|---|-------------------|-------------------|
| Interest accrued on bank deposits | 312,872 | 270,646 |
| Interest accrued on loan to a related party (refer note 3.28) | 9,789,432 | 8,702,865 |
| Other receivable | 2,967,829 | 2,206,609 |
| | <u>13,070,133</u> | <u>11,180,120</u> |



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)

for the year ended 31 March 2020

(Currency: Indian rupees)

| | 2020 | 2019 |
|--|----------------------|--------------------|
| 3.19 Revenue from operations | | |
| Sale of developed land | 175,394,371 | 173,974,562 |
| Revenue from construction and sale of real estate | 97,092,613 | 242,320,554 |
| Other operating revenue | | |
| Realisation from cancellation/ transfer of booking | 1,397,701 | 2,021,502 |
| Rental income from immovable property | 12,042,420 | 12,338,356 |
| | <u>285,927,105</u> | <u>430,654,974</u> |
| 3.20 Other income | | |
| Interest income | | |
| - on loan | 1,207,297 | 1,215,677 |
| - on others | 934,311 | 1,199,247 |
| Unspent liabilities no longer required written back | 1,059,522 | - |
| Miscellaneous receipts | 1,545,750 | 66,025 |
| | <u>4,746,880</u> | <u>2,480,949</u> |
| 3.21 Net decrease in inventories of work in progress and finished developed units | | |
| Project work-in-progress: | | |
| Opening project work-in-progress | 564,868,977 | 617,943,528 |
| Less: Closing project work-in-progress | 724,359,300 | 564,868,977 |
| Decrease in work-in-progress | <u>(159,490,323)</u> | <u>53,074,551</u> |
| Finished stock of developed units: | | |
| Opening stock of developed units | 104,155,770 | 124,157,932 |
| Less: Closing stock of finished developed units | 63,029,769 | 104,155,770 |
| Decrease in finished developed units | <u>41,126,001</u> | <u>20,002,162</u> |
| | <u>(118,364,322)</u> | <u>73,076,713</u> |
| 3.22 Construction costs | | |
| Cost of civil works | 152,103,914 | 118,958,437 |
| Depreciation expense | 2,468,856 | 1,295,433 |
| Borrowing costs | 69,766,892 | 41,223,577 |
| Other expenses | 40,091,771 | 20,412,568 |
| | <u>264,431,433</u> | <u>181,890,015</u> |



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued) for the year ended 31 March 2020

(Currency: Indian rupees)

| | 2020 | 2019 |
|--|--------------------------|--------------------------|
| 3.23 Employee benefits expense | | |
| Salaries, bonus and allowances | 45,101,870 | 51,282,834 |
| Contribution to provident and other funds | 3,391,727 | 3,910,966 |
| Staff welfare expenses | 699,677 | 2,043,234 |
| | <u>49,193,274</u> | <u>57,237,034</u> |
| Less: Transferred to construction work-in-progress | (16,169,774) | (16,786,147) |
| | <u><u>33,023,500</u></u> | <u><u>40,450,887</u></u> |
| 3.24 Finance costs | | |
| Interest expense | | |
| - on short term borrowings | 87,210,675 | 75,327,618 |
| - on debentures | 4,187,500 | 4,187,500 |
| - on vehicle loan | 487,533 | 95,957 |
| - on others | 321,846 | 112,097 |
| - on late payment of advance tax | 221,742 | 150,796 |
| Other borrowing cost | 121,410 | 2,912,511 |
| | <u>92,550,706</u> | <u>82,786,479</u> |
| Less: Borrowing costs transferred to construction work-in-progress | (69,766,892) | (41,223,577) |
| | <u><u>22,783,814</u></u> | <u><u>41,562,902</u></u> |
| 3.25 Other expenses | | |
| Rates and taxes | 1,792,660 | 528,250 |
| Repairs and maintenance | 6,400,553 | 7,610,574 |
| Security and housekeeping charges | 9,849,928 | 9,467,309 |
| Insurance | 469,105 | 543,928 |
| Advertisement expenses | 17,837,671 | 19,037,311 |
| Rent | 3,729,480 | 2,949,480 |
| Travelling and conveyance | 6,157,675 | 5,638,262 |
| Communication expenses | 975,531 | 432,736 |
| Legal and professional fees | 15,572,427 | 17,935,745 |
| Management fees | - | 5,000,000 |
| Brokerage and commission | 3,794,782 | 5,652,533 |
| Advances / sundry balance written off | 892,109 | 47,843 |
| Payment to auditors (refer note below) | 260,000 | 864,370 |
| Miscellaneous expenses | 21,918,591 | 6,393,526 |
| | <u>89,650,512</u> | <u>82,101,867</u> |
| Less: Transferred to construction work-in-progress | (20,736,486) | (3,626,421) |
| | <u><u>68,914,026</u></u> | <u><u>78,475,446</u></u> |
| Note: Payment to auditors | | |
| Statutory audit | 200,000 | 650,000 |
| Others | 60,000 | 150,000 |
| Reimbursement of expenses | - | 64,370 |
| | <u><u>260,000</u></u> | <u><u>864,370</u></u> |



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)
for the year ended 31 March 2020

(Currency: Indian rupees)

3.26 Earnings per share

The basic EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

| Particulars | | 2020 | 2019 |
|--|-------|-----------|------------|
| Net profit after tax attributable to equity shareholders | (A) | 9,459,302 | 11,311,122 |
| Number of equity shares at the beginning and end of the year | | 3,517,768 | 3,517,768 |
| Weighted average number of equity shares outstanding during the year | (B) | 3,517,768 | 3,517,768 |
| Basic and diluted earnings per equity share * | (A/B) | 2.69 | 2.92 |
| Face value per share | | 10.00 | 10.00 |

* For 16.75% Fully convertible debentures, the number and amount of the equity shares will be determined by the Board of Directors of the Company at the time of exit of the investors and therefore these have not been considered for the purposes of dilutive equity shares.

3.27 Contingent liabilities and commitments (to the extent not provided for):

| Particulars | 2020 | 2019 |
|---|-------------|-------------|
| Income tax claims against the Company not acknowledged as debts and disputed by the Company | 26,620,696 | - |
| Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for | - | - |
| Securities mortgaged by the Company on behalf of Bengal Shrachi Housing Development Limited (a related party) to secure financial assistance. (refer note below for security details) | 500,000,000 | 500,000,000 |

Notes:

Details of properties mortgaged for loan availed by Bengal Shrachi Housing Development Limited:

- Land and unsold area of approximately 164,200 sqft along with all sold receivable, fixtures, building and development rights within Renaissance Phase I
- Land and unsold area of approximately 618,820 sqft along with all sold receivable fixtures, building and development rights in project Renaissance Phase II
- The above guarantee is also secured by personal guarantee of the Ravi Todi and Rahul Todi, promoter directors of the Company.
- The above guarantee is provided at zero charges as per the approval of board of directors vide meeting dated 25 September 2017



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)
for the year ended 31 March 2020

(Currency: Indian rupees)

3.28 Related party disclosures

Names of related parties

| Relationship | Names of related party |
|--|---|
| Parties where control exists Control through substantial interest in voting power and power to direct through agreement i.e. Co-venturers | Bengal Shrachi Housing Development Limited Haridham Construction Private Limited Renaissance Maintenance Private Limited |
| Wholly owned subsidiary | |
| Other related parties with whom transactions have taken place during the year Enterprises in which the key management personnel have significant influence | Shrachi Virtuous Retail Projects Private Limited Shrachi Realty Private Limited Neobeam Properties Private Limited BTL EPC Limited (formerly known as Bengal Tools Limited) Nadia Printing & Packaging Private Limited Brijalxmi Paper Products Private Limited Shrawan Kumar Todi (HUF) Ravi Todi (HUF) Sri Balaji Nidhi Bhagwan Ram Sita Seva Nidhi BrijlalShrawan Kumar HUF BrijlalTodi HUF Chitra Family Trust Rahul Todi HUF Ravi Todi Family Trust Shrawan Kumar Ravi Todi HUF |
| Key management personnel (KMP) | Ravi Todi, Director Rahul Todi, Director |
| Relatives of Key management personnel | Shrawan Kumar Todi, father of Ravi Todi |



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)

for the year ended 31 March 2020

(Currency: Indian rupees)

3.28 Related party disclosures (continued)

Related party transactions and outstanding balances

| Nature of transaction/ balance | Co-venturers | Wholly owned subsidiary | Enterprise in which KMP has significant influence | Key management personnel | Total |
|--|------------------|-------------------------|---|--------------------------|--------------------------|
| Printing and stationary | | | | | |
| Brijlaxmi Paper Products Private Limited | - (-) | - (-) | 19,775 (82,139) | - (-) | 19,775 (82,139) |
| Business Promotion | | | | | |
| Brijlaxmi Paper Products Private Limited | - (-) | - (-) | 99,000 (-) | - (-) | 99,000 (-) |
| Project management fee | | | | | |
| Bengal Shrachi Housing Development Limited | - (5,000,000) | - (-) | - (-) | - (-) | - (5,000,000) |
| Communication expenses | | | | | |
| BTL EPC Limited (formerly known as Bengal Tools Limited) | - (-) | - (-) | 541,512 (55,652) | - (-) | 541,512 (55,652) |
| Advertisement expenses | | | | | |
| Bengal Shrachi Housing Development Limited | 1,123,282 (-) | - (-) | - (-) | - (-) | 1,123,282 (-) |
| Business Promotion | | | | | |
| BTL EPC Limited (formerly known as Bengal Tools Limited) | - (-) | - (-) | 10,000 (-) | - (-) | 10,000 (-) |
| Replacement of Network Switch | | | | | |
| BTL EPC Limited (formerly known as Bengal Tools Limited) | - (-) | - (-) | 336,092 (-) | - (-) | 336,092 (-) |
| Purchase of Material | | | | | |
| BTL EPC Limited (formerly known as Bengal Tools Limited) | - (-) | - (-) | 37,693,809 (-) | - (-) | 37,693,809 (-) |
| Bengal Shrachi Housing Development Limited | 11,644 (-) | - (-) | - (-) | - (-) | 11,644 (-) |
| Spectra Realcon LLP | - (-) | - (-) | 1,257,549 (-) | - (-) | 1,257,549 (-) |
| Reimbursement of expenses | | | | | |
| BTL EPC Limited (formerly known as Bengal Tools Limited) | - (-) | - (-) | 112,436 (105,950) | - (-) | 112,436 (105,950) |
| Bengal Shrachi Housing Development Limited | 2,240,037 (-) | - (-) | - (-) | - (-) | 2,240,037 (-) |
| Spectra Realcon LLP | - (-) | - (-) | 2,602 (-) | - (-) | 2,602 (-) |
| Rent | | | | | |
| Sri Balaji Nidhi | - (-) | - (-) | 252,000 (252,000) | - (-) | 252,000 (252,000) |
| Bhagwan Ram Sita Seva Nidhi | - (-) | - (-) | 414,000 (414,000) | - (-) | 414,000 (414,000) |
| Brijlal Shrawan Kumar HUF | - (-) | - (-) | 231,480 (231,480) | - (-) | 231,480 (231,480) |
| Brijlal Todi HUF | - (-) | - (-) | 360,000 (360,000) | - (-) | 360,000 (360,000) |
| Chitra Family Trust | - (-) | - (-) | 417,600 (417,600) | - (-) | 417,600 (417,600) |
| Rahul Todi HUF | - (-) | - (-) | 536,400 (536,400) | - (-) | 536,400 (536,400) |
| Ravi Todi Family Trust | - (-) | - (-) | 396,000 (396,000) | - (-) | 396,000 (396,000) |
| Shrawan Kumar Ravi Todi HUF | - (-) | - (-) | 342,000 (342,000) | - (-) | 342,000 (342,000) |
| Interest on debentures | | | | | |
| Ravi Todi HUF | - (-) | - (-) | 2,093,750 (2,093,750) | - (-) | 2,093,750 (2,093,750) |
| Shrawan Kumar Ravi Todi HUF | - (-) | - (-) | 2,093,750 (2,093,750) | - (-) | 2,093,750 (2,093,750) |



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)
for the year ended 31 March 2020

(Currency: Indian rupees)

3.28 Related party disclosures (continued)

Related party transactions and outstanding balances

| Nature of transaction/ balance | Co-venturers | Wholly owned subsidiary | Enterprise in which KMP has significant influence | Key management personnel | Total |
|--|--------------|-------------------------|---|--------------------------|---------------|
| Unsecured borrowings received | | | | | |
| Rahul Todi | - | - | - | 10,335,737 | 10,335,737 |
| | (-) | (-) | (-) | (12,725,000) | (12,725,000) |
| Ravi Todi | - | - | - | 5,710,000 | 5,710,000 |
| | (-) | (-) | (-) | (28,100,000) | (28,100,000) |
| Nadia Printing & Packaging Private Limited | - | - | 3,500,000 | - | 3,500,000 |
| | (-) | (-) | (3,500,000) | (-) | (3,500,000) |
| Unsecured borrowings refunded | | | | | |
| Rahul Todi | - | - | - | 19,412,178 | 19,412,178 |
| | (-) | (-) | (-) | (49,275,607) | (49,275,607) |
| Ravi Todi | - | - | - | 10,920,200 | 10,920,200 |
| | (-) | (-) | (-) | (33,755,000) | (33,755,000) |
| Nadia Printing & Packaging Private Limited | - | - | 30,000,000 | - | 30,000,000 |
| | (-) | (-) | (73,800,000) | (-) | (73,800,000) |
| Finance costs on unsecured borrowings | | | | | |
| Nadia Printing & Packaging Private Limited | - | - | 3,020,696 | - | 3,020,696 |
| | (-) | (-) | (6,023,074) | (-) | (6,023,074) |
| Advance given | | | | | |
| Spectra Realcon LLP | - | - | 139,001 | - | 139,001 |
| | (-) | (-) | (555,944) | (-) | (555,944) |
| Advance given refunded back | | | | | |
| Spectra Realcon LLP | - | - | 555,944 | - | 555,944 |
| | (-) | (-) | (-) | (-) | (-) |
| Purchase of Fixed Assets | | | | | |
| BTL EPC Limited (formerly known as Bengal Tools Limited) | - | - | - | - | - |
| | (-) | (-) | (200,409) | (-) | (200,409) |
| Loan Processing Fee on unsecured borrowings | | | | | |
| Nadia Printing & Packaging Private Limited | - | - | - | - | - |
| | (-) | (-) | (300,000) | (-) | (300,000) |
| Unsecured interest free loan given | | | | | |
| Renaissance Maintenance Private Limited | - | 98,712,753 | - | - | 98,712,753 |
| | (-) | (122,920,000) | (-) | (-) | (122,920,000) |
| Unsecured loan given | | | | | |
| Shrachi Virtuous Retail Projects Private Limited | - | - | - | - | - |
| | (-) | (-) | (153,340) | (-) | (153,340) |
| Unsecured interest free loan refunded | | | | | |
| Renaissance Maintenance Private Limited | - | 61,403,858 | - | - | 61,403,858 |
| | (-) | (63,070,775) | (-) | (-) | (63,070,775) |
| Unsecured loan refunded | | | | | |
| Shrachi Virtuous Retail Projects Private Limited | - | - | - | - | - |
| | (-) | (-) | (353,340) | (-) | (353,340) |
| Interest income on unsecured loan given | | | | | |
| Shrachi Virtuous Retail Projects Private Limited | - | - | 1,207,297 | - | 1,207,297 |
| | (-) | (-) | (1,215,677) | (-) | (1,215,677) |
| Premium accrued during the year on redeemable preference shares | | | | | |
| Bengal Shrachi Housing Development Limited | 697,921 | - | - | - | 697,921 |
| | (697,921) | (-) | (-) | (-) | (697,921) |
| Balance outstanding as at the end of the year | | | | | |
| Unsecured short term loans - receivable | | | | | |
| Renaissance Maintenance Private Limited | - | 146,426,836 | - | - | 146,426,836 |
| | (-) | (109,117,941) | (-) | (-) | (109,117,941) |
| Neobeam Properties Private Limited | - | - | 250,000,000 | - | 250,000,000 |
| | (-) | (-) | (250,000,000) | (-) | (250,000,000) |
| Shrachi Virtuous Retail Projects Private Limited | - | - | 8,048,648 | - | 8,048,648 |
| | (-) | (-) | (8,048,648) | (-) | (8,048,648) |
| Interest accrued on unsecured loan | | | | | |
| Shrachi Virtuous Retail Projects Private Limited | - | - | 9,789,432 | - | 9,789,432 |
| | (-) | (-) | (8,702,865) | (-) | (8,702,865) |



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)

for the year ended 31 March 2020

(Currency: Indian rupees)

3.28 Related party disclosures (continued)

Related party transactions and outstanding balances

| Nature of transaction/ balance | Co-venturers | Wholly owned subsidiary | Enterprise in which KMP has significant influence | Key management personnel | Total |
|--|---------------|-------------------------|---|--------------------------|---------------|
| Unsecured short-term borrowings | | | | | |
| Nadia Printing & Packaging Private Limited | - | - | 1,690,715 | - | 1,690,715 |
| Ravi Todi (interest free) | (-) | (-) | (26,281,580) | (-) | (26,281,580) |
| Rahul Todi (interest free) | (-) | (-) | - | 400,000 | 400,000 |
| Debtures outstanding at the end of the year | (-) | (-) | (-) | (5,610,200) | (5,610,200) |
| Ravi Todi HUF | (-) | (-) | (-) | 3,071,382 | 3,071,382 |
| Shrawan Kumar Ravi Todi HUF | (-) | (-) | (-) | (12,147,824) | (12,147,824) |
| Trade payables | | | | | |
| Sri Balaji Nidhi | - | - | 12,500,000 | - | 12,500,000 |
| Bhagwan Ram Sita Seva Nidhi | (-) | (-) | (12,500,000) | (-) | (12,500,000) |
| Brijlal Shrawan Kumar HUF | (-) | (-) | 12,500,000 | - | 12,500,000 |
| Brijlal Todi HUF | (-) | (-) | (12,500,000) | (-) | (12,500,000) |
| Chitra Family Trust | (-) | (-) | 226,800 | - | 226,800 |
| Rahul Todi HUF | (-) | (-) | (453,600) | (-) | (453,600) |
| Ravi Todi Family Trust | (-) | (-) | 372,600 | - | 372,600 |
| Shrawan Kumar Ravi Todi HUF | (-) | (-) | (745,200) | (-) | (745,200) |
| Bengal Shrachi Housing Development Limited | 2,440,251 | - | - | - | 2,440,251 |
| BTL EPC Limited (formerly known as Bengal Tools Limited) | (5,400,000) | (-) | (-) | (-) | (5,400,000) |
| Spectra Realcon LLP | (-) | (-) | 3,350,861 | (-) | 3,350,861 |
| Retention money payable | (-) | (-) | (-) | (-) | (-) |
| Bengal Shrachi Housing Development Limited | 700,349 | - | - | - | 700,349 |
| Advance given receivable | (700,349) | (-) | (-) | (-) | (700,349) |
| Spectra Realcon LLP | (-) | (-) | (555,944) | (-) | (555,944) |
| Interest payable on borrowings | (-) | (-) | (-) | (-) | (-) |
| Nadia Printing & Packaging Private Limited | - | - | 2,729,094 | - | 2,729,094 |
| Ravi Todi HUF - interest on debentures | (-) | (-) | (5,420,766) | (-) | (5,420,766) |
| Shrawan Kumar Ravi Todi HUF - interest on debentures | (-) | (-) | 1,884,375 | (-) | 1,884,375 |
| Accrued premium on redeemable preference shares as at year end | (-) | (-) | (1,884,375) | (-) | (1,884,375) |
| Bengal Shrachi Housing Development Limited | 9,277,937 | - | - | - | 9,277,937 |
| Security provided for loan availed by Bengal Shrachi Housing Development Limited (Refer note 3.27) | (8,580,016) | (-) | (-) | (-) | (8,580,016) |
| | 500,000,000 | - | - | - | 500,000,000 |
| | (500,000,000) | (-) | (-) | (-) | (500,000,000) |

Note: Amounts in brackets represent prior year comparatives



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)
for the year ended 31 March 2020

(Currency: Indian rupees)

3.29 Segment information

The Company is operating in the real estate industry and operates only in India. The Company has only one reportable business segment, which is development of real estate and infrastructure facilities and has only one reportable geographical segment. Accordingly, these standalone financial statements are reflective of the information required by the Accounting Standard on Segment Reporting (AS-17) for the real estate development segment.

3.30 Due to Micro, Small and Medium Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as set out in the following disclosures:

| | 2020 | 2019 |
|--|------|------|
| a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year; | | |
| - Principal | - | - |
| - Interest | - | - |
| b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | - | - |
| c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | - | - |
| d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)
for the year ended 31 March 2020

(Currency: Indian rupees)

3.31 Disclosure pursuant to Accounting standard – 15 'Employee Benefits'

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to Rs. 2,301,527(2019: Rs. 2,523,736)

Compensated absences (Other long term employment benefit):

The leave wages are payable to all eligible employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement on attaining superannuation age. The liability towards compensated absences for the year ended 31 March 2020 based on actuarial valuation using the projected accrued benefit method amounting to Rs -1,028,962 (2019: Rs587,193)has been recognised in the Statement of Profit and Loss.

Gratuity (Defined benefit plan):

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement calculated as per the Payment of Gratuity Act.

The following table summarises the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for gratuity benefit.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)
for the year ended 31 March 2020

(Currency: Indian rupees)

3.31 Disclosure pursuant to Accounting standard – 15 'Employee Benefits' (continued)

| Gratuity | 2020 | 2019 | | | |
|--|---------------------|-------------|-------------|-------------|-------------|
| I Net employee expense | | | | | |
| Current service cost | 1,267,268 | 1,172,808 | | | |
| Past service cost | - | - | | | |
| Interest cost on benefit obligation | 395,534 | 353,753 | | | |
| Expected return on plan assets | (285,833) | (198,999) | | | |
| Net actuarial (gain) / loss recognised in the year | (985,106) | (811,522) | | | |
| Net benefit expenses | 391,862 | 516,040 | | | |
| II Amount recognised in the balance sheet | | | | | |
| Defined benefits obligation | 6,529,243 | 6,055,223 | | | |
| Plan asset | 5,126,322 | 3,841,851 | | | |
| Amount recognised in the balance sheet | 1,402,921 | 2,213,372 | | | |
| III Movement in benefit liability | | | | | |
| Opening defined benefit obligation | 6,055,223 | 4,911,992 | | | |
| Acquisition Adjustment | - | 1,000,000 | | | |
| Interest cost | 395,534 | 353,753 | | | |
| Current service cost | 1,267,268 | 1,172,808 | | | |
| Past service cost | - | - | | | |
| Benefits paid | (214,674) | (587,598) | | | |
| Actuarial (gain) / losses on obligation | (974,108) | (795,732) | | | |
| Closing benefit obligation | 6,529,243 | 6,055,223 | | | |
| IV Changes in the fair value of plan assets | | | | | |
| Opening fair value of plan assets | 3,841,851 | 2,487,492 | | | |
| Acquisition Adjustment | - | 1,000,000 | | | |
| Expected return | 285,833 | 198,999 | | | |
| Contributions by employer | 1,202,313 | 727,169 | | | |
| Benefits paid | (214,674) | (587,598) | | | |
| Actuarial gain / (loss) | 10,998 | 15,789 | | | |
| Closing fair value of plan assets | 5,126,319 | 3,841,851 | | | |
| V Actual return on plan assets | | | | | |
| Expected return on plan assets | 285,833 | 198,999 | | | |
| Actuarial loss / (gain) on plan assets | 10,998 | 15,789 | | | |
| VI The Principal actuarial assumptions are as follows | | | | | |
| Discount rate | 6.65% p.a. | 7.66 % p.a. | | | |
| Salary increase | 10% p.a. | 10% p.a. | | | |
| Withdrawal rate | 10 per thousand p.a | | | | |
| VII Experience adjustments: Amounts for the current and previous four years are as follows: | | | | | |
| | 2020 | 2019 | 2018 | 2017 | 2016 |
| Defined benefit obligation | 6,529,243 | 6,055,222 | 4,911,992 | 3,860,153 | 3,488,039 |
| Fair value of plan assets | 5,126,319 | 3,841,851 | 2,487,492 | 2,452,940 | 2,198,220 |
| Surplus/ (Deficit) | (1,402,921) | (2,213,372) | (2,424,500) | (1,407,213) | (1,289,819) |
| Experience adjustment on plan liabilities [(gain)/loss] | (1,738,173) | (826,538) | 182,967 | (809,615) | 201,810 |
| Experience adjustment on plan assets [gain/(loss)] | 10,998 | 15,789 | (55,484) | 45,506 | 17,453 |



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued) for the year ended 31 March 2020

(Currency: Indian rupees)

3.31 Disclosure pursuant to Accounting standard – 15 'Employee Benefits' (continued)

Investment detail of plan assets:

Plan asset, for gratuity payable to employees, available with the Company is an Insurer managed fund by Life Insurance Corporation of India (100%).

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

Assumptions regarding future mortality are based on published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions

The overall expected long-term rate of return on assets is 10.00%(2019: 10.00%). The expected long-term rate of return is based on the portfolio as a whole and not on the sum of the returns on individual asset categories. The return is based exclusively on historical returns, without adjustments.

3.32 Dividend on 14% Class "D" Non-cumulative preference shares

The preference shareholders have waived their right to preference dividend in respect of the current year ended 31 March 2020 and previous year ended 31 March 2019. Accordingly, provision for preference dividend has not been created as at 31 March 2020 and 31 March 2019.

3.33 The Company had taken 254.74 acres of land from Burdwan Development Authority (BDA) on 27 August 2010 on long term lease basis for 99 years with option of renewal for the purpose of construction and development of Satellite Township. As per the agreement the Company had with BDA, the Company had paid full amount as cost of development rights.

In the earlier years, few land owners who sold their land to BDA, claimed higher compensation from BDA.

The Company has signed a Memorandum of Understanding (MoU) dated 29 August 2014 with BDA and Samity. As per the terms of the MoU, the Company agreed to transfer all its leasehold rights over a portion of project land not exceeding 30 acres and Samity represented by erstwhile land owners agreed to withdraw all legal cases/ other disputes. However, the final agreement between the parties is yet to be reached.

3.34 Disclosure under section 186 of the Companies Act, 2013

The operations of the Company are classified as 'infrastructure facilities' as defined under Schedule III to the Act. Accordingly, the disclosure requirements specified in sub-section 4 of Section 186 of the Act in respect of loans given, investment made or guarantee given or security provided and the related disclosures on purposes/ utilization by recipient companies are not applicable to the Company.

3.35 During the year, the Company has given a loan of Rs Nil (2019: Rs 153,340) to Shrachi Virtuous Retail Private Limited which is in non-compliance of Section 185 of the Companies Act 2013 and the same has been refunded back in the previous year. The management of the Company believes that the penalty to be determined is not expected to be material to these standalone financial statements and accordingly no adjustment has been made in the standalone financial statements.



Shrachi Burdwan Developers Private Limited

Notes to the standalone financial statements (continued)
for the year ended 31 March 2020

(Currency: Indian rupees)

3.36 Expenditure in foreign currency

| | 2020 | 2019 |
|---------------------|------|---------|
| Travelling expenses | Nil | 106,950 |

3.37 Corporate social responsibility (CSR)

The Company does not meet the applicability threshold of CSR as per Section 135 of the Companies Act 2013.

3.38 Operating lease


The Company has taken office on operating lease arrangements. Minimum lease payment charged during the year to the statement of Profit and Loss aggregated to **Rs 2,949,480** (2019: Rs 2,949,840).

3.39 Previous year's figures have been regrouped/reclassified wherever necessary conform to current year's classification/disclosure.

3.40 The outbreak of Coronavirus (COVID-19) is causing significant disturbance and slowdown of economic activity in India and across the globe. The Company has evaluated the impact of this pandemic in its business operations. Based on its review and current indicators of economic conditions, except for interruption in project execution, there is no other significant impact on its financial results for the year ended 31-03-2020. The Company will continue to closely monitor any material changes arising from future economic conditions and impact on its business.

As per our report of even date attached.

For G.P. Agrawal & Co.
Chartered Accountants
Firm's Registration No.: 302082E


(CA. Ajay Agrawal)
Partner
Membership No.: 17643

Place: Kolkata
Date: 14 September 2020

For and on behalf of the Board of Directors
Shrachi Burdwan Developers Private Limited
CIN: U45200WB2006PTC111545


Ravi Todi
Director
DIN: 00080388

Place: Kolkata
Date: 14 September 2020


Rahul Todi
Director
DIN: 00080441



