

AJMERA REALCON PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2020

Amount in Rupees

	Particulars	Note No.	31st March, 2020	31st March, 2019
	ASSETS			
(1)	Non-Current Assets			
	Financial Assets			
	Investments	3	60,000,000	60,000,000
	Trade Receivables			
	Loans	4	10,009,970	10,009,970
	Others Financial Assets			
	Total Non-Current Assets		70,009,970	70,009,970
(2)	Current Assets			
	Financial Assets			
	Cash And Cash Equivalents	5	538,810	543,294
			538,810	543,294
	TOTAL ASSETS		70,548,780	70,553,264
	EQUITY AND LIABILITIES			
1	Equity			
	Equity Share Capital	6	100,000	100,000
	Reserves And Surplus	7	(1,379,901)	(1,364,799)
	Liabilities			
2	Non-Current Liabilities			
	Financial Liabilities			
	Borrowings	8	71,810,661	71,810,043
			70,530,760	70,545,244
3	Current Liabilities			
	Financial Liabilities			
	Trade Payables	9		
	Dues to micro and small enterprises		-	-
	Dues to creditors other than micro and small enterprises		18,020	8,020
			18,020	8,020
	TOTAL EQUITY AND LIABILITIES		70,548,780	70,553,264
	Significant Accounting policies and notes to the Financial Statements As per our report of even date	2		
	For V. PAREKH & ASSOCIATES Chartered Accountants Firm Reg. No. 107488W		For & on behalf of Board Of Directors of AJMERA REALCON PRIVATE LIMITED	
	RASESH V. PAREKH - PARTNER Membership No. 38615 UDIN :20038615AAAAGQ6557 Dated : 14th July 2020		ATUL AJMERA DIRECTOR DIN No: 00013747 Dated : 14th July 2020	BANDISH AJMERA DIRECTOR DIN No: 00012318

AJMERA REALCON PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020

Amount in Rupees

	Particulars	Note No.	31st March, 2020	31st March, 2019
	Revenue From Operations		-	-
	Other Income		-	-
	Total Income		-	-
	EXPENSES			
	Other expenses	10	15,102	45,247
	Total expenses		15,102	45,247
	Profit/(loss) before exceptional items and tax		(15,102)	(45,247)
	Exceptional Items			
	Profit/(loss) before tax		(15,102)	(45,247)
	Tax expense:			
	(1)Current tax			
	(2)Deferred tax			
	Profit (Loss) for the period from continuing operations		(15,102)	(45,247)
	Profit/(loss) from discontinued operations			
	Tax expense of discontinued operations			
	Profit/(loss) from Discontinued operations (after tax)			
	Profit/(loss) for the year		(15,102)	(45,247)
	Other Comprehensive Income			
	Other Comprehensive Income			
	Earnings per equity share (for continuing operation):	11	(15,102)	(45,247)
	(1)Basic		(1.51)	(4.52)
	(2)Diluted		(1.51)	(4.52)

Significant Accounting policies and notes to the Financial Statements
As per our report of even date

2

For V. PAREKH & ASSOCIATES
Chartered Accountants
Firm Reg. No. 107488W

For & on behalf of Board Of Directors of
AJMERA REALCON PRIVATE LIMITED

RASESH V. PAREKH - PARTNER

ATUL AJMERA

BANDISH AJMERA

Membership No. 38615
UDIN :20038615AAAAGQ6557

DIRECTOR

DIRECTOR

DIN No: 00013747

DIN No: 00012318

Dated : 14th July 2020

Dated : 14th July 2020

AJMERA REALCON PRIVATE LIMITED
Statement of Changes in Equity

(a) **Equity Share Capital**

	As at			
	March 31, 2020		March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of reporting period	10,000	100,000	10,000	100,000
<u>Add:</u>				
<u>Less:</u>				
Balance at the end of the reporting period	10,000	100,000	10,000	100,000

(b) **Other Equity**

	Reserve and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Surplus/ (deficit) in the statement of profit and loss	
Balance as on April 1, 2018				(1,319,551.83)	(1,319,551.83)
<u>Add:</u>					
Transfer from Profit & Loss				-	-
Profit/(Loss) for the Year				(45,247.00)	(45,247.00)
Adjustment to Construction Cost and WIP & ECL				-	-
<u>Less:</u>					
Interim & Final Equity Dividend				-	-
Tax on Proposed Equity dividend				-	-
Transfer to General Reserve				-	-
Balance at March 31, 2019	-	-	-	(1,364,798.83)	(1,364,798.83)
<u>Add:</u>					
Transfer from Profit & Loss				-	-
Profit for the Year				(15,102.00)	(15,102.00)
Adjustment to Construction Cost and WIP & ECL				-	-
<u>Less:</u>					
Interim & Final Equity Dividend				-	-
Tax on Proposed Equity dividend				-	-
Transfer to General Reserve				-	-
Balance at March 31, 2020	-	-	-	(1,379,900.84)	(1,379,900.84)

As per our report of even date

For & on behalf of Board Of Directors of
AJMERA REALCON PRIVATE LIMITED

For V. PAREKH & ASSOCIATES
Chartered Accountants
Firm Reg. No. 107488W

RASESH V. PAREKH - PARTNER

 Membership No. 38615
 UDIN :20038615AAAAGQ6557
 Dated : 14th July 2020

ATUL AJMERA
DIRECTOR
 DIN No: 00013747

 Dated : 14th July 2020

BANDISH AJMERA
DIRECTOR
 DIN No: 00012318

AJMERA REALCON PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	31st March, 2020	31st March, 2019
	AMOUNT IN Rs	AMOUNT IN Rs
Cash Flow From Operating Activities		
Profit before tax	(15,102)	(45,247)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Operating profit before working capital changes	(15,102)	(45,247)
Movements in working capital:		
Increase/(decrease) in trade payables	10,000	3,020
Cash generated from/(used in) operating activities	(5,102)	(42,227)
Direct taxes paid	-	
Net cash flow from/(used in) operating activities (A)	(5,102)	(42,227)
Cash flow from investing activities		
Purchase of Current Investement	-	(60,000,000)
Net cash flow from/(used in) investing activities (B)	(0)	(60,000,000)
Cash flow from financing activities		
Proceeds from Long term borrowings	618	30,006,054
Decrease/(increase) in long term loans and advances	-	30,000,000
Net cash flow from/(used in) financing activities (C)	618	60,006,054
Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)	(4,484)	(36,172)
Cash and cash equivalents at the beginning of the year	543,294	579,467
Cash and cash equivalents at the end of the year #	538,810	543,294
# Reconciliation of Cash and cash equivalents at the end of the year		
Cash and cash equivalents as per Cash Flow	538,810	543,294
Add: Other Bank balance		
Cash and cash equivalents as per Balance Sheet	538,810	543,294

Significant Accounting policies and notes to the Financial Statements 2
As per our report of even date

For V. PAREKH & ASSOCIATES
Chartered Accountants
Firm Reg. No. 107488W

For & on behalf of Board Of Directors of
AJMERA REALCON PRIVATE LIMITED

RASESH V. PAREKH - PARTNER

ATUL AJMERA

BANDISH AJMERA

Membership No. 38615

DIRECTOR

DIRECTOR

UDIN :20038615AAAAGQ6557

DIN No: 00013747

DIN No: 00012318

Dated : 14th July 2020

Dated : 14th July 2020

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

NOTES TO ACCOUNTS

1. Corporate Information

AJMERA REALCON PRIVATE LIMITED is a Private Limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in business of construction and development of property.

2. Significant Accounting Policy

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of of The Companies Act, 2013 Read with rule 3 of the Companies (Indian Accounting Standards) Rules 2015 by Ministry of Corporate Affairs ('MCA') as amended by the Companies (Indian Accounting Standards) rules, 2016.

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

2.2 Current and Non Current Classification

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

- i. It is expected to be realized/ settled, or is intended for sale or consumption, In the companies normal operating cycle or
- ii. It is held primarily for the purpose of being traded or
- iii. It is expected to be realized/ due to be settled within 12 months after the reporting date or
- iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date or
- v. The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other assets and liabilities are classified as non current

2.3 Property, Plant and Equipment (PPE)

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives (asset-out below) prescribed in Schedule II to the Act:

Asset Category	Estimated Useful Life
Plant & Equipments	15 Years
Furniture & fixtures	10 Years
Vehicles	8 Years
Office equipments	5 Years
Computer Hardware	3 Years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

2.4 Intangible Assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortisation)

The cost of capitalized software is amortized over a period of 6 years from the date of its acquisition.

2.5 Borrowing cost

Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

2.6 Investments

Investment in equity instruments of subsidiaries, joint ventures and associates

Investment in equity instruments of subsidiaries, joint ventures and associates are stated at cost as per Ind AS 27 'Separate Financial Statements'

2.7 Inventories:

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

Work-in-progress - Contractual: Cost of work yet to be certified/ billed, as it pertains to contract costs that relate to future activity on the contract, are recognised as contract work-in-progress provided it is probable that they will be recovered. Contractual work-in-progress is valued at lower of cost and net realisable value.

Work-in-progress - Real estate projects (including land inventory): Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognised. Real estate work-in-progress is valued at lower of cost and net realisable value.

Finished goods - Flats: Valued at lower of cost and net realisable value.

Building materials purchased, not identified with any specific project are valued at lower of cost and net realisable value. Cost is determined based on a weighted average basis.

Land inventory: Valued at lower of cost and net realisable value.

2.8 Revenue Recognition

Effective April 1, 2018, the company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

The company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application. The impact of adoption of the standard on the financial statements of the company is insignificant.

Revenue is recognised upon transfer of control of promised inventory to customers in an amount that reflects the consideration which the company expects to receive in exchange. Revenue is recognised over the period of time when control is transferred to the customer on satisfaction of performance obligation, based on contracts with customers.

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

i. Revenue from Real estate projects is recognized when it is reasonably certain that the ultimate collection will be made and that there is buyers commitment to make the complete payment.

Revenue from real estate under development is recognized upon transfer of all significant risks and rewards of ownership of such real estate, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreement, except for the contracts where the company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards. In such cases, the revenue is recognized on percentage of completion method, when the stage of completion of each project reaches a reasonable level of progress. The revenue is recognized in proportion that the contract cost incurred for work performed up to the reporting date bear to the estimated total contract cost.

Revenue from real estate projects including revenue from sale of undivided share of land [group housing] is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

generally coincides with the firming of the sales contracts/ agreements.

When the outcome of a real estate project can be estimated reliably and the conditions above are satisfied, project revenue (including from sale of undivided share of land) and project costs associated with the real estate project should be recognised as revenue and expenses by reference to the stage of completion of the project activity at the reporting date arrived at with reference to the entire project costs incurred (including land costs). Revenue is recognized on execution of either an agreement or a letter of allotment

ii. Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

iii. Dividend Income

Dividend income is recognized with the company's right to receive dividend is established by the reporting date.

iv. Other Income

Other Income is accounted on accrual basis.

2.9 Unbilled Revenue

Revenue recognized based on policy on revenue, over and above the amount due as per the payment plans agreed with the customers.

2.10 Cost of revenue

Cost of constructed properties includes cost of land (including cost of development rights/land under agreements to purchase), estimated internal development costs, external development charges, borrowing costs, overheads, construction costs and development/construction materials, which is charged to the statement of profit and loss based on the revenue recognized as explained in accounting policy for revenue from real estate projects above, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

2.11 Foreign Currency Transactions

Functional and Presentation Currency

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

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

2.12 Employee Benefit Expenses

Provident Fund

The Company makes contribution to statutory provident funding accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service cost on the Company's defined benefit plan is included in employee benefits expense. Net interest expense on the net defined benefit liability is included in finance costs. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of discounted value of estimated

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

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

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

Short-term employee benefits

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short – term employee benefit. The company measures the expected cost of such absences as the additional amount that is except to pay as a result of the unused entitlement that has accumulated at the reporting date.

2.13 Taxation

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the Specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for Taxation purposes. Deferred tax assets on unrealised tax loss are recognized to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

assessed based on the Company's forecast of future operating results, adjusted for significant on-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity).

2.14 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

2.15 Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider: All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

2.16 Trade Receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

2.17 Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

2.18 Cash and Cash Equivalent

Cash and cash equivalents comprise cash in hand, demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

2.19 Provisions, contingent assets and contingent liabilities

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

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

2.20

Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April, 2019. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets). Adoption of Ind- AS 116 doesn't have any material impact on the financial statements of the Company.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right-to-use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of offices, godowns, equipment, etc. that are of low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

2.21 Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair Value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

Subsequent measurement of Financial Assets

i) Financial assets carried at amortised cost – a financial asset is measured at the amortised cost, if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii) Investments in equity instruments of subsidiaries, joint ventures and associates – Investments in equity instruments of subsidiaries, joint ventures and associates are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements.

De-recognition of financial assets

A financial asset is primarily de-recognized when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Subsequent measurement of Financial Assets

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

De-recognition of financial liabilities

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

2.22 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

2.23 Significant management judgement in applying accounting policies and estimation uncertainty

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

Significant management judgements

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

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

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

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

Revenue and inventories – The Company recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available Contractual and historical information.

Useful lives of depreciable/ amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Group used valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input i.e. significant to the fair value measurement as a whole.;

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

Level 1. Quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2. Input other than quoted prices included within level 1 that are observable for the assets or liabilities either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3. Inputs for the assets and liabilities that are not based on observable market data (unobservable inputs)

2.24 Standards issued not yet effective : There are no standards issued but not yet effective up to the date of issuance of the Company's financial statements.

Note 3 : Investments**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020**

Particulars	Ownership Interest (%)	Country of Origin	Face value	No. of Shares		Amount	
				March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Investment in equity instruments (Unquoted, fully paid-up)							
Investment in associates							
In Amisha Buildcon Private Limited Equity Shares	Refere Note Below	India	10,000	6,000	6,000	60,000,000	60,000,000
Total Investments						60,000,000	60,000,000

AJMERA REALCON PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Sr.No	Particulars	31st March, 2020		31st March, 2019	
			Amount in Rupees		Amount in Rupees

4 Loans and Advances

	Unsecured, considered good				
	Loans and Advances to related parties		10,000		10,000
	Other Loans and advances		9,999,970		9,999,970
	Total		10,009,970		10,009,970

5 Cash and Bank Balances

	Cash and cash equivalents				
	(i) Balances with banks				
	- In current accounts		538,310		542,794
	Cash in hand		500		500
	Total		538,810		543,294

AJMERA REALCON PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Sr.No	Particulars	31st March, 2020		31st March, 2019	
			Amount in Rupees		Amount in Rupees
6	EQUITY SHARE CAPITAL				
	Authorised 10,000 (Previous year 10,000) Equity Shares of Rs. 10/- each		100,000		100,000
	ISSUED SUBSCRIBED AND PAID UP 10000(Previous Year 10000) Equity Shares of Rs.10/- each fully paid up		100,000		100,000
	Total		100,000		100,000

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity shares	Nos.	Amount in Rs.	Nos.	Amount in Rs.
At the beginning of the period	10,000	100,000	10,000	100,000
Issued during the year				
Bought-back during the year				
Outstanding at the end of the period	10,000	100,000	10,000	100,000

b. Term/rights attached

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2020, the amount of per share dividend recognised as distributions to equity shareholders was NIL per share (Previous year Rs. NIL per share).

c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

	No. of shares	No. of shares
AJMERA REALTY INFRA INDIA LIMITED	10,000	10,000

d. Aggregate numbers of bonus shares issued, share issued for consideration other than cash and shares brought back during the period of five years immediately preceding the reporting date:

e. Details of shareholders holding more than 5% shares in the company

	Nos.	% holding	Nos.	% holding
Equity shares of Rs. 10 each fully paid AJMERA REALTY INFRA INDIA LIMITED	10,000	100	10,000	100

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

AJMERA REALCON PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Sr.No	Particulars	31st March, 2020		31st March, 2019	
			Amount in Rupees		Amount in Rupees

7 RESERVES AND SURPLUS

Surplus/(Deficit) in the Statement of Profit and Loss			
As per last accounts		(1,364,799)	(1,319,552)
Add: Profit (Loss) for the Year		(15,102)	(45,247)
Add: Adjustment as per IND-AS		(1,379,901)	(1,364,799)
Unwinding of Interest on rental deposit			
Adjustment to Construction Cost and WIP			
Closing Balance		(1,379,901)	(1,364,799)
Less: Appropriations			
Interim & Final Equity Dividend		-	-
Tax on Proposed Equity dividend		-	-
Transfers to debenture redemption reserve		-	-
Transfer to General Reserve		-	-
Total appropriations		-	-
Total		(1,379,901)	(1,364,799)

8 NON CURRENT BORROWINGS

Secured borrowings			
Unsecured borrowings From related parties		71,810,661	71,810,043
Total		71,810,661	71,810,043

9 TRADE PAYABLES

Due to micro and small enterprises (refer note. No.15)		-	-
Others		18,020	8,020
Total		18,020	8,020

AJMERA REALCON PRIVATE LIMITED**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020**

Sr.No	Particulars	Amount in Rupees	
		31st March, 2020	31st March, 2019

10 OTHER EXPENSES

Bank Charges	944	1,593
Misc. Expenses	-	1,500
Auditors Remuneration	10,000	5,900
Filing Fees	618	618
Professional Fees	3,540	35,636
Total	15,102	45,247

Payment to Auditors (Audit Fees)	10,000	5,900
Total	10,000	5,900

11 Earning per Share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations.		
Profit/(loss) after tax	(15,102)	(45,247)
Weighted average number of equity shares outstanding during the period	10,000	10,000
Earning per share (EPS)	(1.51)	(4.52)
Diluted EPS	(1.51)	(4.52)

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

12. Details of Auditor's remuneration :

(Amount in Rupees)

Particulars	2019-2020	2018-19
Audit Fees	10000.00	5900.00
Total	10000.00	5900.00

13. The Company primarily deals in the business of Real Estate and hence there is no Primary reportable segment in the context of Ind AS 108.

14. Related Party Disclosures:**A. Related Parties Where Control exists**

Holding Company : Ajmera Realty and Infra India Limited

B. Other Related Parties

- i. Ajmera Housing Corporation
- ii. Ajmera Habitat Private Limited
- iii. Amisha Buidcon Private Limited
- ivi. Vijay Nagar Corporation

C. Related Party Transactions:

Amount in Rupees

(a) Disclosures required for related parties transactions				
Transactions	Holding / Associates/ Subsidiary	Directors and Relatives	Maximum Outstanding	Year ended Balances
Finance Received / (Given)	-	(618)	46,800,661	11,700,661
	(55,667,028)	55,773,082	11,700,043	1,800,043

Figures in **Bold** represents current financial year & others represents for previous year.

D. Disclosure in respect of material transactions with related parties:

Name of Related Party	Relationship	Advance Paid/Repaid	Advance Received	Maximum O/S during the Period
AJMERA REALTY AND INFRA INDIA LTD	Holding Company	-	-	16,036,961
		5,100,000	-	21,136,961
AJMERA HABITAT PVT LTD	Associates	-	-	(10,000)
		-	-	(10,000)
AMISHA BUILDCON PVT LTD	Associates	-	-	(60,000,000)

AJMERA REALCON PRIVATE LIMITED (2019-20)**Notes forming part of Financial Statements for the year ended 31st March, 2020**

		30,000,000	-	(60,000,000)
RAJNIKANT S. AJMERA	Director	-	618	30,480,900
		-	30,480,282	30,480,282
BANDISH B. AJMERA	Director	-	-	25,192,800
		-	25,192,800	25,192,800
Total Current Year	Director	-		
Total Previous Year	Director	-	55,773,082	55,773,082
Total Current Year	Associates/ Subsidiary	-	30,006,054	11,700,043
Total Previous Year		5,100,000	1,236	16,793,989
Figures in Bold represents current financial year & others represents for previous year.				

15. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

- a) The principal amount NIL (P.Y NIL) and the interest due thereon is NIL (P.Y NIL) remaining unpaid to any supplier at the end of each accounting year 2019-20
- 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 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 Nil
- 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 is Nil

The above information and that given in note no.9 –“Trade Payables” regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of available with the company. This has been relied upon by the auditors.

- 16.** The Company has re - assessed the useful life of assets for the purpose of determination of depreciation in the manner prescribed under the Schedule II of the Companies Act, 2013.

17. Capital Management Policy

- Safeguard our ability to continue as a going concern, and
- Maintain an optimal capital structure to reduce the cost of capital

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet. The Company manages its capital structure and

AJMERA REALCON PRIVATE LIMITED (2019-20)**Notes forming part of Financial Statements for the year ended 31st March, 2020**

makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, subject to relevant permissions and compliances, adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	31.03.2020	31.03.2019
<u>Net Debt</u>		
Non-Current Borrowings	71,810,660.50	71,810,042.50
Current Borrowings	-	-
Current Maturities of LTD		
(-) Cash and Cash Equivalent	-538,809.65	-543,293.65
Total	71,271,850.85	71,266,748.85
<u>Total Equity</u>		
Equity Share Capital	100,000.00	100,000.00
Other Equity	-1,379,900.83	-1,364,798.83
Total	-1,279,900.83	-1,264,798.83
Debt to Equity Ratio	-55.69	-56.35

18. Financial Risk Management: Disclosure of Financial Instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

Particulars	31.03.2020			31.03.2019		
	FVTPL	FVOCI	AMORTISED COST	FVTPL	FVOCI	AMORTISED COST
Financial Assets						
Investment in subsidiaries, associates and joint ventures*	-	-	60,000,000.00	-	-	60,000,000.00
Loans advanced to related parties	-	-	10,000.00	-	-	10,000.00
Other loans and Advances	-	-	9,999,970.02	-	-	9,999,970.02
Cash & Cash Equivalent	-	-	538,809.65	-	-	543,293.65
Other Bank Balances	-	-	-	-	-	-
	-	-	70,548,779.67	-	-	70,553,263.67
Financial Liabilities						
Borrowings	-	-	71,810,660.50	-	-	71,810,042.50
Trade Payables	-	-	18020.00	-	-	8020.00

* All the investments in subsidiaries, associates and joint ventures are stated at cost as per Ind AS 27 'Separate Financial Statements'.

Types of Risk and its management

The Group's activities expose it to market risk, liquidity risk and credit risk. Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

a. Credit Risk

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Expected Credit Loss is based on actual credit loss experienced and past trends based on the historical data.

b. Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

AJMERA REALCON PRIVATE LIMITED (2019-20)

Notes forming part of Financial Statements for the year ended 31st March, 2020

c. Foreign Currency Risk

The Group has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognized assets and liabilities denominated in a currency that is not the Group's functional currency.

19. Capital and other commitments

Capital and other commitments on account of revenue as well as capital nature is Rs. NIL (P.Y NIL)

20. The Balance in Debtors, Creditors, few Bank Accounts balances and Advances accounts are subject to confirmation and reconciliation, if any. However as per management opinion no material impact on financial statements out of such reconciliation is anticipated.

21. Subsequent events

There is no subsequent event reported after the date of financial statements.

22. Regrouping of Previous Year Figures.

The company has regrouped / rearranged and reclassified previous year figures to conform to current year's classification.

As per our report of even date
For V. PAREKH & ASSOCIATES
Chartered Accountants
Firm Reg. No. 107488W

For & on behalf of Board Of Directors of
AJMERA REALCON PRIVATE LIMITED

RASESH V. PAREKH
PARTNER
Membership No. 38615
UDIN : 20038615AAAAGQ6557
Place: Mumbai
Dated: 14th July 2020

ATUL AJMERA
DIRECTOR
DIN No: 00013747
Place: Mumbai
Dated: 14th July 2020

BANDISH AJMERA
DIRECTOR
DIN No: 00012318