

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Ashiana Dwellings Private Limited**

**Report on the Audit of the Financial Statements**

### **OPINION**

We have audited the accompanying financial statements of M/s **Ashiana Dwellings Private Limited** ('the Company'), which comprises the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss, the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs (financial position) of the Company as at March 31, 2021, its Loss and its cash flows for the year ended on that date.

### **BASIS FOR OPINION**

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

### **EMPHASIS OF MATTER**

We draw attention to the following matters in the Notes to the financial statements:

- a) Note no. 21(9) in the financial statements describing the economic consequences the company is facing due to COVID-19.
- b) Note no. 21(10) in the financial statements regarding ongoing discussions between the Company and the secured debenture holders to arrive at a settlement including extension of tenure of Debentures and anticipated substantial relief from the statutory authorities on the quantum of interest and penal interest on EDC/IDC.



- c) Note no. 21(11) in the financial statements relating to the resignation of the erstwhile directors and appointment of new director's u/s 168(3) of the Companies Act, 2013 by the promoter of the Company which has been informed to the Registrar of Companies, West Bengal (ROC) but not yet taken on record by the ROC. Due to above technical problem, the company has not been able to file any ROC forms relating to annual compliances and forms relating to appointment and resignation of directors.

Our Opinion is not modified in respect of the above matters.

#### **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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 Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to



going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF FINANCIAL STATEMENTS**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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 the paragraph 3 and 4 of the order.

(A) As required by Section 143 (3) of the Act, we report that:

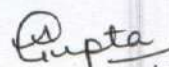
- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standard specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 and taken on record by the Board of Directors, *both the directors have become disqualified from being re-appointed as a director of this company or appointed as a director in any other company in terms of sub-section (2) of section 164 of the Companies Act, 2013.*



- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company does not have any material foreseeable losses on long term contracts including derivative contracts which would impact its financial position;
  - iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (C) With respect to the matter to be included in the Auditors' Report under Section 197 (16) of the Act, we report that:

The Company is a Private Limited Company and hence, the provision of section 197 read with Schedule V to the Act is not applicable to the company.

For **B. CHHAWCHHARIA & CO.**  
Chartered Accountants  
Firm Registration No. 305123E



Abhishek Gupta  
Partner

Membership No. 529082

UDIN: 21529082AAAALB1550

Date: 08<sup>th</sup> September, 2021  
Place: New Delhi



**Annexure - A to the Independent Auditors' Report**  
**(Refer to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements'**  
**section of our report of even date)**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best to our knowledge and belief, we report that:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) According to the information and explanations given to us, all the assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.  
  
(c) Since the company do not hold any immovable property as fixed assets, hence, this clause is not applicable to the company.
- (ii) According to the information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals during the year which, in our opinion, is reasonable having regard to the size of the company and nature of its business. No material discrepancies were noticed on such verification.
- (iii) The Company has not granted any secured/unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities made by the company, if any.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products/services sold/rendered by the Company.
- (vii) (a) According to the records of the company, the company is generally not regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Custom Duty, Goods & Services Tax, cess and other material statutory dues, as applicable.



The statutory dues which were outstanding as at the last day of the financial year under review for a period of more than six months from the date they became payable are as follows:

1. *External Development Charges (Including Additional Interest) to the tune of ₹ 4464.62 Lacs,*
2. *Construction Cess to the tune of ₹ 15.22 Lacs*
3. *Tax Deducted at source (TDS) (Including Interest) to the tune of ₹5.39 Lacs.*

b) According to the information and explanations given to us, there are no dues of Income-tax, Goods and Service Tax, duty of customs and cess, as applicable, which have not been deposited on account of any dispute.

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, banks, Government or dues to debenture holders except the following:

Particulars	Amount of Default (Rs. In Lacs)	Due date	Period of default	Remarks (if any)
Secured Debentures	Rs 6,040.80	31 <sup>st</sup> December, 2018	821 Days	Refer Note 3 & 21(10)
Secured Debentures	Rs. 6,480.66	19 <sup>th</sup> February, 2019	771 Days	Refer Note 3 & 21(10)
Secured Debentures	Rs. 5,943.91	19 <sup>th</sup> February, 2020	407 Days	Refer Note 3 & 21(10)

- (ix) In our opinion and according to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year under review. Further term loans have been applied for the purposes for which those were raised.
- (x) Based upon the audit procedures performed and information and explanations given by the management, we report that, no material fraud by the Company or on the Company by its officers or employees have been noticed or reported during the year.
- (xi) The company is a Private Limited company, hence the provisions of section 197 read with Schedule V to the Act is not applicable to the company.
- (xii) The provisions of clause (xii) of the Order are not applicable as the company is not a Nidhi company as specified in the clause.
- (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 sections 188 of the Act and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

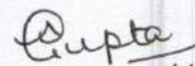


- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year
- (xv) According to the information 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.
- (xvi) In our opinion, in view of its business activities, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **B. CHHAWCHHARIA & CO.**

Chartered Accountants

Firm Registration No. 305123E



Abhishek Gupta

Partner

Membership No. 529082

UDIN: 21529082AAAA LB1550

Date: 08<sup>th</sup> September, 2021

Place: New Delhi



**Annexure - B to the Independent Auditors' Report  
(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of M/s **Ashiana Dwellings Private Ltd.** ("the Company") as of 31 March 2021 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 Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

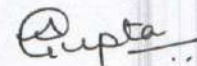
### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B. CHHAWCHHARIA & CO.**

Chartered Accountants

Firm Registration No. 305123E



Abhishek Gupta

Partner

Membership No. 529082

UDIN: 21529082AAAALB1550

Date: 08<sup>th</sup> September, 2021

Place: New Delhi



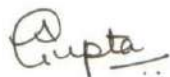
**ASHIANA DWELLINGS PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2021**

Particulars	Notes	AS AT 31 March 2021		AS AT 31 March 2020	
		₹	₹	₹	₹
<b><u>EQUITY AND LIABILITIES</u></b>					
<b><u>Shareholders' Funds</u></b>					
Share Capital	1	6,00,00,000		6,00,00,000	
Reserves & Surplus	2	(1,43,12,563)	4,56,87,437	(1,03,58,588)	4,96,41,412
<b><u>Non-Current Liabilities</u></b>					
Long Term Borrowings	3	24,15,10,160		37,45,44,946	
Other Long Term Liabilities	4	32,52,500		27,00,000	
Long term Provisions		11,37,355	24,59,00,015	19,84,970	37,92,29,916
<b><u>Current Liabilities</u></b>					
Trade Payables	6				
a) Dues of micro and small enterprises		5,22,891		15,00,253	
b) Dues of creditors other than micro and small enterprises		4,78,24,203		4,69,08,729	
Other Current Liabilities	7	1,91,61,13,216	1,96,44,60,310	1,71,75,23,731	1,76,59,32,713
			2,25,60,47,762		2,19,48,04,041
<b><u>ASSETS</u></b>					
<b><u>Non-Current Assets</u></b>					
Property, Plant & Equipment :	8				
Tangible Assets		32,41,364		41,27,783	
Long Term Loans & Advances	9	19,75,31,556		19,75,31,556	
Deferred Tax Assets	10	62,54,300	20,70,27,220	48,20,600	20,64,79,939
<b><u>Current Assets</u></b>					
Current Investments	11	28,21,258		37,81,543	
Inventories	12	1,67,68,33,376		1,57,74,86,123	
Cash & Cash Equivalents	13	6,43,401		4,29,53,655	
Short Term Loans & Advances	14	36,87,22,507	2,04,90,20,542	36,41,02,781	1,98,83,24,102
			2,25,60,47,762		2,19,48,04,041

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE ACCOUNTS 21

The Notes referred above form an integral part of the accounts.  
In terms of our report of even data attached herewith

For **B. CHHAWCHHARIA & CO.**  
Chartered Accountants  
Firm Registration No: 305123E



Abhishek Gupta  
Partner  
Membership No: 529082

For and on behalf of the Board of Directors of  
**Ashiana Dwellings Private Limited**



Pankaj Mehndiratta  
(Director)  
DIN - 08707670



Parveen Kumar  
(Director)  
DIN - 08839860

Place: New Delhi  
Date: 08th September, 2021



UQIN-21529082AAAA LB1550

**ASHIANA DWELLINGS PRIVATE LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2021**

Particulars	Notes	Year ended 31 March 2021	Year ended 31 March 2020
		₹	₹
<b>Income</b>			
Other Income	15	4,63,720	36,22,255
		<u>4,63,720</u>	<u>36,22,255</u>
<b>Expenses</b>			
<b>Direct Costs:</b>			
Project Expenses	16	9,71,71,481	12,17,77,773
Changes in Inventories	17	<u>(9,71,71,481)</u>	<u>(12,17,77,773)</u>
		-	-
Employee Benefit Expenses	18	37,10,050	52,71,898
Depreciation		8,86,419	19,10,029
Other Expenses	19	<u>12,54,925</u>	<u>12,72,033</u>
		<u>58,51,394</u>	<u>84,53,961</u>
<b>Loss before Tax</b>		(53,87,675)	(48,31,706)
<b>Tax Expenses :</b>	20		
Current Tax		-	-
Deferred Tax		<u>(14,33,700)</u>	<u>(16,29,800)</u>
<b>Loss for the year</b>		<u><u>(39,53,975)</u></u>	<u><u>(32,01,906)</u></u>
<b>Earnings Per Share</b>			
(On Equity Shares of nominal value of ₹ 10/- each)			
Basic and Diluted		(0.66)	(0.53)

The Notes referred above form an integral part of the accounts.  
In terms of our report of even date attached herewith

For **B. CHHAWCHHARIA & CO.**  
Chartered Accountants  
Firm Registration No: 305123E

*Abhishek Gupta*

Abhishek Gupta

Partner

Membership No: 529082

Place: New Delhi

Date: 08th September, 2021

UIN - 21529082AAAA181550



For and on behalf of the Board of Directors of  
**Ashiana Dwellings Private Limited**

*Pankaj Mehndiratta*

Pankaj Mehndiratta

(Director)

DIN - 08707670

*Parveen Kumar*

Parveen Kumar

(Director)

DIN - 08839860

**ASHIANA DWELLINGS PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
	₹	₹
<b>A Cash Flow from Operating Activities:</b>		
Net Profit before tax and extraordinary items	(53,87,675)	(48,31,706)
Adjustments for :		
Profit on Sale of Investments	(4,39,715)	(34,02,340)
Finance Cost	4,51,84,714	5,00,75,928
Depreciation	8,86,419	19,10,029
Operating profit before working capital changes	4,02,43,743	4,37,51,912
Working capital adjustments:		
Trade and other receivables	(45,50,722)	27,50,599
Changes in Inventories	(9,93,47,253)	(11,85,55,544)
Trade Payables and other payable	19,82,32,482	10,95,68,243
Cash generated from operations	13,45,78,250	3,75,15,210
Direct Taxes paid / adjusted	(69,004)	(15,38,356)
Net cash from Operating activities	13,45,09,246	3,59,76,854
<b>B Cash Flow from Investing Activities:</b>		
Purchase of Fixed Assets	-	(89,665)
Sale of Investments (Net)	14,00,000	5,06,66,598
Net Cash generated from investing activities	14,00,000	5,05,76,933
<b>C Cash Flow from Financing Activities:</b>		
Proceeds / (Repayment) of Borrowings	(13,30,34,786)	(2,29,61,592)
Finance Cost	(4,51,84,714)	(5,00,75,928)
Net Cash used in Financing activities	(17,82,19,500)	(7,30,37,520)
Net increase in cash & cash equivalents (A+ B+ C)	(4,23,10,254)	1,35,16,268
Cash & cash equivalents at the beginning of the year	4,29,53,655	2,94,37,387
Cash & cash equivalents at the end of the year	6,43,401	4,29,53,655
Notes:		
1 The statement of cash flows has been prepared using the indirect method as set out in AS 3 - Cash Flow Statement		
2 Cash and Cash equivalents represent cash and bank balances only.		
In terms of our report of even date attached herewith		

For **B. CHHAWCHHARIA & CO.**

Chartered Accountants

Firm Registration No: 305123E

*Gupta*

Abhishek Gupta

Partner

Membership No: 529082

Place: New Delhi

Date: 08th September, 2021



For and on behalf of the Board of Directors of  
**Ashiana Dwellings Private Limited**

*Pankaj Mehndiratta*

Pankaj Mehndiratta

(Director)

DIN - 08707670

*Parveen Kumar*

Parveen Kumar

(Director)

DIN - 08839860

# 8 Property, Plant & Equipment

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2020	Additions /(Deductions)	As at 31.03.2021	Up to 31.03.2020	For the year/ (Adjustments)	Up to 31.03.2021	As at 31.03.2021	As at 31.03.2020
	₹	₹	₹	₹	₹	₹	₹	₹
<b>TANGIBLE ASSETS</b>								
PLANT & MACHINERY	10,28,250	-	10,28,250	5,65,654	68,499	6,34,153	3,94,097	4,62,596
FURNITURE & FIXTURES	43,98,001	-	43,98,001	26,34,066	2,95,404	29,29,470	14,68,531	17,63,935
OFFICE EQUIPMENTS	10,98,690	-	10,98,690	9,01,973	1,32,749	10,34,722	63,968	1,96,717
ELECTRICAL EQUIPMENTS	71,050	-	71,050	42,282	4,770	47,052	23,998	28,768
COMPUTERS	7,43,414	-	7,43,414	6,59,157	21,785	6,80,942	62,472	84,257
VEHICLE	25,54,328	-	25,54,328	9,62,818	3,63,212	13,26,030	12,28,298	15,91,510
<b>TOTAL</b>	<b>98,93,733</b>	<b>-</b>	<b>98,93,733</b>	<b>57,65,949</b>	<b>8,86,419</b>	<b>66,52,368</b>	<b>32,41,364</b>	<b>-</b>
<b>PREVIOUS YEAR FIGURES</b>	<b>98,04,068</b>	<b>89,665</b>	<b>98,93,733</b>	<b>38,55,920</b>	<b>19,10,029</b>	<b>57,65,949</b>		<b>41,27,784</b>



# NOTES TO THE ACCOUNTS

## 1 SHARE CAPITAL

### Authorised :

60,00,000 Equity shares of ₹ 10/- each

### Issued, Subscribed and Fully Paid up :

60,00,000 Equity shares of ₹ 10/- each

AS AT  
31 March 2021  
₹

6,00,00,000  
6,00,00,000

6,00,00,000  
6,00,00,000

AS AT  
31 March 2020  
₹

6,00,00,000  
6,00,00,000

6,00,00,000  
6,00,00,000

## a) Details of each shareholder holding more than 5% shares in the company

### Name of Shareholders

Ashiana Homes Private Limited

IL & FS Trust Company Limited (Trustee to Indiareit Fund Scheme V)

As at 31 March 2021		As at 31 March 2020	
% holding	No. of shares	% holding	No. of shares
80.10%	48,06,000	80.10%	48,06,000
19.90%	11,94,000	19.90%	11,94,000
	60,00,000		60,00,000

## b) Terms/ rights attached to equity shares

The Company has only one class of equity share having a par value of ₹ 10/- per share. Each holder of equity shares 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.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## c) Out of the above, 48,06,000 equity shares are held by M/s. Ashiana Homes Pvt. Ltd., the holding company and are subject to lock-in until the shares in the company are held by IL & FS Trust Company Limited (Trustee to Indiareit Fund Scheme V).

## 2 RESERVES & SURPLUS

### Surplus/(Deficit) in the Statement of Profit and Loss

As per Last Account

Loss for the year

Net Surplus/(Deficit) in the statement of Profit and Loss

(1,03,58,588)

(39,53,975)

(1,43,12,563)

(71,56,682)

(32,01,906)

(1,03,58,588)



**NOTES TO THE ACCOUNTS****NON CURRENT LIABILITIES****3 LONG TERM BORROWINGS****A) DEBENTURES - SECURED**

64,806 Secured Optionally Convertible Debentures of ₹ 9,375/- (PY Rs 10,000/-) each

Total (A)

AS AT  
31 March 2021  
₹

AS AT  
31 March 2020  
₹

60,75,56,250

60,75,56,250

64,80,60,000

64,80,60,000

**The above Debentures are secured by:**

- Second ranking pari passu charge by way of deposit of title deeds over the Project land and the Company's project;
- Second ranking pari passu charge, by way of hypothecation, over the Escrow Accounts, the DTCP Account, the Expenses Account, the Existing Bank Accounts, the Retention Account, the Receivables and the Insurance Proceeds;
- First ranking charge, by way of hypothecation, over all the Assets of the Company, both present and future, other than the properties charged;
- Second ranking pari passu pledge of 48,06,000 Equity Shares held by M/s Ashiana Homes Pvt. Ltd.;
- An unconditional and irrevocable corporate guarantee from M/s Ashiana Homes Pvt. Ltd
- Demand Promissory Note

**Terms and conditions attached to the Secured Debentures:**

- The debentures carry a coupon of 10% per annum to be accrued and payable upon redemption of debentures and also subject to availability of funds, with total IRR of 19.35% (including redemption premium).
- The Schedule for the redemption of the amount of debentures are as follows:

Due date for redemption	Amount of redemption
31st December, 2018	17,94,96,250
19th February, 2019	22,00,00,000
19th February, 2020	20,80,60,000

**B) DEBENTURES - UNSECURED**

4,694 Unsecured Optionally Convertible Debentures of ₹ 10,000/- each -Series 2015

1,400 Unsecured Optionally Convertible Debentures of ₹ 10,000/- each -Series 2017

Total (B)

4,69,40,000

1,40,00,000

6,09,40,000

4,69,40,000

1,40,00,000

6,09,40,000

**Terms and conditions attached to the Unsecured Debentures - Series 2015**

- The debentures carry a coupon of 10% per annum to be accrued and payable upon redemption of debentures with total IRR of 19.35% (including redemption premium) and redemption/conversion within 19th February 2022, if the option to convert is not exercised by the debenture holders.
- The Debentures are held by Ashiana Homes Pvt. Ltd., related party

**Terms and conditions attached to the Unsecured Debentures - Series 2017**

- The debentures are pari passu with all other unsecured borrowings of the company and do not carry any coupon.
- The debentures shall be redeemable at par or premium as may be mutually decided between the board of directors of the company and debentures holders at any time after the expiry of 6 months but with in twenty years from the date of allotment i.e. 13th October 2017.
- The debentures shall be convertible at the option of debenture holders by giving notice of 15 days at any time after the expiry of 6 months but with in twenty years from the date of allotment (i.e. 13th October 2017) at the Net Assets Value per share as per the last audited balance sheet as on date of the conversions, to be determined on the basis of the valuation report of a registered valuer.
- The Debentures are held by Ashiana Homes Pvt. Ltd., related party



# **NOTES TO THE ACCOUNTS**

	As at 31 March 2021 ₹	As at 31 March 2020 ₹
<b>C) TERM LOAN - SECURED</b>		
<b>From Housing Development Finance Corporation Limited</b>		
<b>i) Construction Finance</b>	<b>30,25,66,839</b>	<b>31,26,67,827</b>
Secured by:		
(i) First exclusive charge over the Project land and the Company's project.		
(ii) First exclusive charge on the entire receivables accruing from sold and unsold area of the Company's project.		
(iii) First and exclusive ranking pledge of 48,06,000 Equity Shares held by M/s Ashiana Homes Pvt. Ltd.		
(iv) Personal Guarantees of Mr. Rohit Raj Modi and Mr. Mayank Raj Modi.		
Terms of repayment - Repayable in the form of agreed percentage of the sale receipts from the company's project, within 31st October, 2022.		
<b>ii) Guaranteed Emergency Credit Line ( under ECLGS Scheme)</b>	<b>3,10,00,000</b>	<b>-</b>
Secured by:		
(i) Second ranking pari passu charge over the Project land and the Company's project.		
(ii) Second ranking pari passu charge on the entire receivables accruing from sold and unsold area of the Company's project.		
(iii) Second ranking pari passu pledge of 48,06,000 Equity Shares held by M/s Ashiana Homes Pvt. Ltd.;		
(iv) First exclusive charge on any asset acquired or created with the use of this loan.		
Terms of repayment - Repayable in 48 equal monthly installments post 12 months of moratorium from the first disbursement (i.e 10th February, 2021)		
Total (C)	<b>33,35,66,839</b>	<b>31,26,67,827</b>
<b>D) VEHICLE LOAN- SECURED</b>		
- From ICICI Bank Limited	<b>9,69,541</b>	<b>13,35,934</b>
- Secured by way of hypothecation of vehicle financed by them		
Terms of Repayment for Amount Outstanding:		
- Rs. 9,69,541/- in 25 monthly installments		
Total (D)	<b>9,69,541</b>	<b>13,35,934</b>
Total (A + B+C+D)	<b>1,00,30,32,630</b>	<b>1,02,30,03,761</b>
Less : Unpaid matured debentures (Refer Note No. 7)	<b>60,75,56,250</b>	<b>64,80,60,000</b>
Less : Current Maturities (Refer Note No. 7)	<b>15,39,66,220</b>	<b>3,98,815</b>
	<b>24,15,10,160</b>	<b>37,45,44,946</b>
<b>4 OTHER LONG TERM LIABILITIES</b>		
Other Liabilities	<b>32,52,500</b>	<b>27,00,000</b>
	<b>32,52,500</b>	<b>27,00,000</b>
<b>5 LONG TERM PROVISIONS</b>		
Provision for employee benefits	<b>11,37,355</b>	<b>19,84,970</b>
	<b>11,37,355</b>	<b>19,84,970</b>
<b>6 TRADE PAYABLES</b>		
- Dues of micro and small enterprises	<b>5,22,891</b>	<b>15,00,253</b>
- Dues of creditors other than micro and small enterprises	<b>4,78,24,203</b>	<b>4,69,08,729</b>
	<b>4,83,47,094</b>	<b>4,84,08,982</b>
<b>7 OTHER CURRENT LIABILITIES</b>		
Current maturities of long term borrowings (Refer Note No.3)	<b>15,39,66,220</b>	<b>3,98,815</b>
Unpaid matured debentures (Refer Note No.3)	<b>60,75,56,250</b>	<b>64,80,60,000</b>
Interest accrued but not due on borrowings	<b>5,509</b>	<b>37,34,653</b>
Advance from Customers	<b>82,45,51,969</b>	<b>74,87,62,034</b>
Security Deposits	<b>36,88,142</b>	<b>27,66,830</b>
Statutory Liabilities	<b>30,78,60,912</b>	<b>30,77,14,784</b>
Other Liabilities	<b>1,84,84,214</b>	<b>60,86,615</b>
	<b>1,91,61,13,216</b>	<b>1,71,75,23,731</b>



# **NOTES TO THE ACCOUNTS**

			As at 31 March 2021 ₹		As at 31 March 2020 ₹
<b>9 LONG TERM LOANS AND ADVANCES</b>					
(Unsecured, considered good)					
Statutory Development Charges Recoverable			19,75,31,556		19,75,31,556
			19,75,31,556		19,75,31,556
<b>10 DEFERRED TAX ASSETS</b>					
Deferred Tax Assets relating to:					
- Property, plant and equipment			4,05,900		3,61,900
- Employee benefits			2,95,700		-
- Unabsorbed Losses			55,52,700		44,58,700
			62,54,300		48,20,600
	Face Value per unit ₹	No. of Units	As at 31 March 2021 ₹	No. of Units	As at 31 March 2020 ₹
<b>11 CURRENT INVESTMENTS</b>					
<b>Others</b>					
<b>In units of Mutual Funds (unquoted):</b>					
Aditya Birla Sun Life Savings - Growth	100	2,631.30	11,05,052	10,105.41	37,81,543
ICICI Prudential Liquid Plan- Growth	100	5,687.07	17,16,206	-	-
			28,21,258		37,81,543
Repurchase value of units of Mutual Funds			28,35,694		40,17,113
<b>12 INVENTORIES</b>					
(As taken, valued and certified by the management)					
Land			69,55,15,202		69,55,15,202
Work in Progress			97,31,51,333		87,59,79,852
Construction materials			81,66,841		59,91,069
			1,67,68,33,376		1,57,74,86,123
<b>13 CASH AND CASH EQUIVALENTS</b>					
Cash-in-hand			20,026		20,785
Balances with Scheduled Banks					
- in Current Account			1,75,287		16,01,096
- in Escrow Account*			1,98,158		4,07,01,908
- in Fixed Deposit Account (pledged)			2,49,930		6,29,864
			6,43,401		4,29,53,653
* under control of debenture trustee					
<b>14 SHORT TERM LOANS AND ADVANCES</b>					
(Unsecured, considered good)					
Advances recoverable in cash or in kind or for value to be received			1,57,36,746		1,28,79,937
Balances with Government Authorities			1,33,96,198		2,04,61,368
Statutory Development charges Recoverable			17,39,68,042		17,48,70,444
Unaccrued Selling Expenses			16,21,55,306		15,24,93,821
Deposits			10,800		10,800
Taxation Advance and Refundable			34,55,415		33,86,411
			36,87,22,507		36,41,02,781



# **NOTES TO THE ACCOUNTS**

## **15 OTHER INCOME**

Interest:  
- on Fixed Deposit  
- on Income tax refund  
Profit on sale of Investments  
Miscellaneous Income

2020-2021	2019-2020
₹	₹
24,004	50,750
-	193
4,39,715	34,02,340
-	1,68,972
4,63,720	36,22,255

## **16 PROJECT EXPENSES**

### **Construction Expenses**

Cost of Construction and Development  
Power & Fuel  
Personnel Cost  
Miscellaneous Construction Expenses

3,22,43,897	2,72,46,384
14,50,289	17,06,398
85,23,288	1,37,45,616
27,99,476	11,96,952
4,50,16,950	4,38,95,350

### **Other Project Expenses**

Statutory Charges  
Financial Cost  
Other Project Expenses

13,04,249	61,91,666
4,51,84,714	5,00,75,928
56,65,568	2,16,14,829
5,21,54,531	7,78,82,423
9,71,71,481	12,17,77,773

## **17 CHANGES IN INVENTORIES**

### Opening Stock :

Land  
Work-in-progress

69,55,15,202	69,55,15,202
87,59,79,852	75,42,02,079
1,57,14,95,054	1,44,97,17,281

### Less: Closing Stock:

Land  
Work-in-progress

69,55,15,202	69,55,15,202
97,31,51,333	87,59,79,852
1,66,86,66,535	1,57,14,95,054
(9,71,71,481)	(12,17,77,773)

## **18 EMPLOYEE BENEFIT EXPENSES**

Salary and Other Allowances  
Staff Welfare Expenses

35,13,750	44,80,172
1,96,300	7,91,726
37,10,050	52,71,898

## **19 OTHER EXPENSES**

Rates & Taxes  
Printing & Stationery  
Travelling & Conveyance  
Auditor's Remuneration:  
- For Statutory Audit  
- For Other Services  
Miscellaneous Expenses

5,050	9,800
48,870	1,78,740
3,81,196	1,88,054
1,25,000	1,25,000
1,65,000	1,57,000
5,29,809	6,13,439
12,54,925	12,72,033

## **20 TAX EXPENSES**

### Current tax

Income Tax  
Tax Adjustments

-	-
-	-

### Deferred Tax

Deferred Tax

(14,33,700)	(16,29,800)
(14,33,700)	(16,29,800)
(14,33,700)	(16,29,800)



## NOTES TO THE ACCOUNTS

### 21 SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE ACCOUNTS

#### **1) SIGNIFICANT ACCOUNTING POLICIES**

##### **a) BASIS OF ACCOUNTING:**

The Financial Statements are prepared under historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the Accounting Standards prescribed in the Companies (Accounting Standard) Rules, 2006 and provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current, wherever applicable, as per the normal operating cycle of the company as set out in the Schedule III to the Companies Act, 2013.

##### **b) USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates/ assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognised in the period in which the results are known/ materialised.

##### **c) FIXED ASSETS AND DEPRECIATION:**

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. Cost includes purchase price and all other attributable cost of bringing the assets to working condition for intended use.

Depreciation is provided on Straight Line Method (SLM) at the rates, determined based on useful life of the asset as estimated by the management or those prescribed under Schedule II to the Companies Act, 2013, whichever is lower. The management has estimated the life of all the fixed assets till 31st March, 2026.

##### **d) INVESTMENTS**

Non Current investments are carried at acquisition cost and investments intended to be held for less than one year are classified as current investments and are carried at lower of cost and market value. Non Current Investments which have attained the stage of permanent diminution in their value are revalued at their current value.

##### **e) INVENTORIES**

Inventories are valued as follows:

Construction Material	At Lower of cost and net realisable value. However, materials and other items are not written down below cost if the constructed units in which they are used are expected to be sold at or above cost. Cost is determined on FIFO basis.
-----------------------	---

Unsold Completed Construction and Work in Progress	At Lower of cost and net realisable value. Cost includes direct materials, work charges, construction overheads, cost of borrowings and other related overheads.
--	--

Land	At Lower of cost and net realisable value.
------	--

##### **f) REVENUE RECOGNITION**

###### **Real Estate Projects:**

Revenue in respect of Real Estate Projects is accounted for on delivery of physical possession or on deemed possession of the respective units on completion, as considered appropriate by the management based on circumstantial status of the project.

###### **Delayed Payment Charges:**

Delayed payment charges claimed to expedite recoveries from customers are accounted for on realisation.

###### **Other Income:**

Other income is accounted on accrual basis except where the receipt of income is uncertain.

##### **g) EMPLOYEE BENEFITS**

The Company's obligation towards various employee benefits has been recognised as follows:

###### **i) Short term employee benefits**

Short term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered.

###### **ii) Post-employment benefits**

###### **(a) Defined contribution plans**

The company pays provident fund contribution to publicly administered provident funds as per the local regulations. The contributions are accounted for as defined contribution plans and are recognised as employee benefit expense when they are due.



## NOTES TO THE ACCOUNTS (Contd....)

### (b) Defined benefit plans

The liabilities recognised in the balance sheet in respect of defined benefit plan, namely gratuity. Each year the company makes the provision of gratuity liability in the books of accounts in accordance with the Payment of Gratuity Act, 1972.

### h) FOREIGN CURRENCY TRANSACTIONS

Income and Expenditure in foreign currency is converted into rupee at the rate of exchange prevailing on the date of the transactions. All payables and receivables related to foreign currency transactions outstanding at the year end are translated at exchange rates prevailing at the year end. The resultant translation differences are recognised in the Statement of Profit & Loss.

### i) SELLING EXPENSES

Selling Expenses related to specific projects/units are being charged to Profit & Loss Account in the year in which sale thereof is offered for taxation.

### j) TAXES ON INCOME

- Current Tax is determined as the amount of tax payable in respect of taxable income for the year.
- Deferred Tax is recognised, subject to consideration of prudence, in respect of deferred tax Assets/Liabilities arising on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

### k) EARNINGS PER SHARE

The Basic earnings per share ("EPS") is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### l) IMPAIRMENT OF ASSETS

Impairment Loss in the value of assets, as specified in Accounting Standard -28 is recognised whenever carrying value of such assets exceeds the market value or value in use, whichever is higher.

### m) PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognised when the company has a present obligation as a result of past results and it is probable that an outflow of resources embodying 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.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

## 2) DUES TO MICRO AND SMALL ENTERPRISES

The Company has received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid as at year end together with interest paid /payable have been given based on the information so far available with the company/ identified by the company management. As required by schedule III of companies Act, of the above said Act the following information is disclosed:-

Particulars	31 March 2021	31 March 2020
a) Principal amount remaining unpaid at the end of the accounting year	5,22,891	15,00,253
b) Interest due on above	-	-
c) The amount of interest paid by the buyer alongwith amount of payment made to the supplier beyond the appointed date during each accounting year.	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under this act.	-	-
f) The amount of further interest due and payable in succeeding year, until such interest is fully paid.	-	-

## 3) CONTINGENT LIABILITY

Contingent Liability, not provided for, in respect of

Particulars	31 March 2021	31 March 2020
	(₹ in lacs)	(₹ in lacs)
Bank Guarantee	953.75	953.75



#### NOTES TO THE ACCOUNTS (Contd....)

- 4) Balances of loans and advances, sundry creditors and other liabilities are in the process of confirmation / reconciliation.
- 5) In accordance with Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) Rules, 2006, the Company has determined its business segment as Real Estate Operations. Since there are no other business segment in which the Company operates, there are no other primary reportable segment.

#### 6) RELATED PARTY DISCLOSURES

Related parties and transactions with them as specified in Accounting Standard 18 on "Related Parties Disclosure" prescribed under Companies (Accounting Standards) Rules, 2006 has been identified and given below on the basis of the information available with the company and the same has been relied upon by the auditors.

- |  |  |
|--|--|
| a) Enterprises where control exists  | Ashiana Homes Private Limited (Holding Co.)  |
| b) Associates and Joint Ventures   | Nil  |
| c) Individual Owning an interest in the voting power of the company and their relatives                  | Nil  |
| d) Key Management Personnel and their Relatives  | Pankaj Mehndiratta (W.e.f 01.01.2021)<br>Parveen Kumar (W.e.f 20.08.2020)<br>Raj Kumar Chaudhary (upto 21.08.2020)<br>Rohit Raj Modi (Chief Operating Officer) |
| e) Enterprises over which any person referred to in (c) or (d) is able to exercise significant influence | Ashiana Landcraft Realty (P) Ltd.  |

Nature of Transactions	Enterprises Where Control Exits		Key Management Personnel and their Relatives		Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	₹	₹	₹	₹	₹	₹
<b>Income :</b>						
Sale of Material	-	-	-	-	-	1,10,434
<b>Expenses:</b>						
Service Charges	-	72,00,000	-	-	-	-
Financial Service Charges	5,00,000	5,00,000	-	-	-	-
Remuneration	-	-	-	3,00,000	-	-
Purchase of Material	-	-	-	-	12,82,418	-
<b>Year End Payable:</b>						
Other Long Term Liabilities	32,52,500	27,00,000	-	-	-	-
Unsecured Debentures	6,09,40,000	6,09,40,000	-	-	-	-

#### 7) EARNINGS PER SHARE

The Earning Per Share (EPS) has been calculated as specified in Accounting Standard - 20 prescribed under Companies (Accounting Standards) Rules, 2006 and related disclosures in this regard are:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
	₹	₹
a) Amount used as numerator in calculating Basic EPS : Profit/(Loss) after tax (₹)	(39,53,975)	(32,01,906)
b) Amount used as denominator for calculating Basic & Diluted EPS (Nos.): Equity Shares	60,00,000	60,00,000

Since the no. of equity shares into which Secured and Unsecured OCDs are convertible is not ascertainable at the end of the year, hence, Diluted EPS is taken as same as that of Basic EPS.

On the basis of physical verification of assets, as specified in Accounting Standard - 28 and cash generation capacity of those assets, in the management's perception, there is no impairment of such assets as appearing in the balance sheet as on 31.03.2021.



## NOTES TO THE ACCOUNTS (Contd....)

### 9) Impact of Covid-19

The management is actively monitoring effects of Covid-19 pandemic on the company's operations including construction, supplies and workforce and financial condition including liquidity, inventories, receivables, investments and other assets/liabilities. The company has used the principles of prudence in applying judgements, estimates and assumptions in assessing its liquidity position and carrying value of its assets except to the extent referred to in Note 21(10). The impact of Covid-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

- 10) Indireit Fund Scheme V, Secured Debenture holder of the company, through their Debenture Trustee IDBI Trusteeship Services Limited, has filed an application against the company before the Hon'ble National Company Law Tribunal (NCLT), Kolkata to initiate Corporate Insolvency Resolution Process, which is pending admittance by NCLT. There have been ongoing discussions between the Company and Indireit Fund Scheme V to arrive at a Settlement including extension of tenure of Debentures. Besides, substantial relief is anticipated from the statutory authorities on the quantum of interest and penal interest on EDC/IDC. In view thereof:

- Interest amounting to Rs. 50.39 crores and redemption premium amounting to Rs. 73.51 crores on Secured OCDs, which are due for redemption, has not been provided for.
- Interest and penal interest amounting to Rs. 6.43 crores on EDC/IDC has not been provided.
- Management is of the view that the company's real estate project will have a positive cash flow also in view of the expected settlement and relief, as stated above, and hence, these financial statements have been prepared on a Going Concern basis.

The aforesaid non-provisions shall be appropriately dealt in the accounts upon settlement with the Debenture holders / clarity on the anticipated relief relating to EDC/IDC.

- 11) The erstwhile Directors of the company Mr. Mayank Raj Modi and Mr. Rohit Raj Modi resigned as directors of the company w.e.f. 26/12/2019 and 30/12/2019 respectively. Mr. Raj Kumar Choudhary and Mr. Pankaj Mehndiratta were appointed as directors w.e.f. 22/02/2020 u/s 168(3) of the Companies Act, 2013 by the promoter of the company i.e. M/s Ashiana Homes Pvt. Ltd. Thereafter, Mr. Parveen Kumar was appointed as an Additional Director of the Company w.e.f. 20/08/2020, duly confirmed as director in AGM, and Mr. Raj Kumar Choudhary resigned as director w.e.f. 21/08/2020. On 21/11/2020, Mr. Pankaj Mehndiratta had resigned from the post of director, thereby reducing the no. of directors on the board to 1 which was later on regularised by Mr. Parveen Kumar, the only director in the company, by appointing Mr. Pankaj Mehndiratta as a director of the company on 31/12/2020 under Section 174(2) of the Companies Act, 2013.

All the above changes in directors have been informed to the Registrar of Companies, West Bengal (ROC) by way of letters since forms cannot be filed by the present directors till the time they are reflected as directors on MCA portal, but have not yet been taken on record by ROC till the date of the approval of the financial statements. Due to above technical problem, the company has not been able to file any ROC forms relating to annual compliances and forms relating to appointment and resignation of directors.

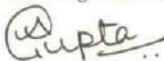
- 12) In view of absence of profits and inadequate funds, the company has not created Debentures Redemption Reserve as required under Companies Act, 2013.
- 13) The figures for the corresponding previous years have been reclassified/regrouped wherever necessary to make them comparable.

In terms of our report of even date attached herewith

For **B. CHHAWCHHARIA & CO.**

Chartered Accountants

Firm Registration No: 305123E



Abhishek Gupta

Partner

Membership No: 529082

Place: New Delhi

Date: 08th September, 2021

UDIN - 21523082AAAALB1550



For and on behalf of the Board of Directors of  
**Ashiana Dwellings Private Limited**



Pankaj Mehndiratta  
(Director)  
DIN - 08707670



Parveen Kumar  
(Director)  
DIN - 08839860