AVRM & ASSOCIATES
Chartered Accountants

E-17, 1st Floor, East of Kailash
New Delhi-110065
Tel. 011-41077177

INDEPENDENT AUDITOR'S REPORT

To The Members of **M/s. Essel Housing Projects Private Limited**

We have audited the financial statements of **M/s. Essel Housing Projects Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Act in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Responsibilities of Management for Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

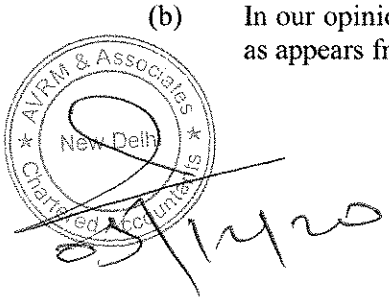
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that :

   (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;



(c) The balance sheet, the statement of profit and loss and the statement of cash flows dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;

(e) On the basis of written representations received from the directors, as on 31st March 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and

(g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

AVRM & Associates * New Delhi * Chartered Accountants

For: **AVRM & ASSOCIATES**
CHARTERED ACCOUNTANTS
FIRM REG. NO: 003705N

(A.K.AGGARWAL)
PARTNER, F.C.A.
M. No. 082695

Place: **NEW DELHI**
Date:
05.12.20

ANNEXURE –A TO AUDITOR'S REPORT

Referred to paragraph 1 of our report of even date: -

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

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

(b) According to the information and explanations given to us, the property, plant and equipment have been physically verified by the management during the period under consideration and 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) The title deeds of all the immovable properties (which are included under the head "property, plant and equipment") are held in the name of the Company.

(ii) (a) As explained to us, the inventories have been physically verified by management during the period under consideration at reasonable intervals.

(b) In our opinion and according to the information and explanation given to us, the procedures for physical verification of inventory followed by management were reasonable and adequate in relation to the size of the company and the nature of its business.

(c) In our opinion the Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stock and book stock was not material and has been properly dealt with in the books of accounts.

(iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted loans to body corporate covered in the register maintained under section 189 of the Companies Act, 2013.

(a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company

(b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.

(c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) According to the Information and explanation given to us, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provision of clause 3 (v) of the Order are not applicable.

AVRM & Associates New Delhi Chartered Accountants

8/9/20

(vi) The Central Government of India has prescribed the maintenance of cost records under section 148 of the Companies Act, 2013 for maintenance of cost records in respect of Real Estate Development/ Construction and other related activities but the same are not applicable to the Company. Accordingly, paragraph (vi) of the order is not applicable.

(vii)

(a) According to the records, information and explanations provided to us, the company is generally regular in depositing with appropriate authorities undisputed amount of statutory dues including Provident fund, Employees State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it. No undisputed amounts payable in respect of income-tax , wealth tax, goods & service tax, custom duty, excise duty and cess were outstanding as at 31st March 2020 for a period of more than six months from the date they became payable.

(b) Details of dues of Income tax, wealth tax, sales tax, service tax, goods & service tax, custom duty, excise duty, value added tax and cess which have not deposited to the concerned authorities on account of disputes are given below:-

(i) Disputed Income Tax liability:-

Nature of Dues	**Total Amount in dispute (Rs.)**	**Total Disputed Amount paid / adjusted under protest (Rs.)**	**Total disputed amount not paid to Income tax Authority (Rs.)**	**Period to which the amount relates (Asstt. Year)**	**Authority where dispute is pending**
Income tax	4,88,93,580	1,97,80,000	2,91,13,580	2010-11	The appeal of the company is pending before I.T.A.T, New Delhi

(viii) The Company has not defaulted in repayment of loans or borrowings to financial institution, banks, government or debenture holders during the year.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for any managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

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(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 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(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 non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.



For **AVRM & ASSOCIATES**
CHARTERED ACCOUNTANTS
FIRM REG. NO. 003705N

PLACE:- NEW DELHI
DATE:-
05.12.20

(A.K. AGGARWAL)
PARTNER, F.C.A.
M. No 082695

Annexure - B to the Auditors' Report

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. Essel Housing Projects Private Limited** ("the Company") as of 31st March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

AVRM & Associates * New Delhi * Chartered Accountants

For: **AVRM & ASSOCIATES**
CHARTERED ACCOUNTANTS
FIRM REG. NO. : 003705N

(A.K.AGGARWAL)
PARTNER, F.C.A.
M. No.082695

Place: **NEW DELHI**
Date:

05.12.20

ESSEL HOUSING PROJECTS PRIVATE LIMITED

CIN: U70109DL1999PTC099190

LGF-10, VASANT SQUARE MALL, PLOT-A,SECTOR-B,POCKET-V,COMMUNITY CENTRE, VASANT KUNJ, NEW DELHI-110070

BALANCE SHEET AS AT MARCH 31, 2020

(Amount in ₹)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
EQUITY AND LIABILITIES			
A. Shareholders' Fund			
a) Share Capital	1.	3,05,00,000	3,05,00,000
b) Reserves & Surplus	2.	79,72,53,378	79,15,70,259
		82,77,53,378	**82,20,70,259**
B. Non-Current Liabilities			
a) Long Term Borrowings	3.	71,60,52,103	1,04,57,62,157
b) Other Long Term Liabilities	4.	58,71,300	82,17,450
c) Long Term Provisions	5.	5,17,681	3,57,746
		72,24,41,084	**1,05,43,37,353**
C. Current Liabilities			
a) Short Term Borrowings	6.	29,60,52,670	82,61,301
b) Trade Payables			
(i) total outstanding dues of micro enterprises and small		3,68,221	11,64,408
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		5,08,12,552	7,14,88,621
c) Other Current Liabilities	7.	50,59,47,588	32,09,96,566
d) Short Term Provisions	8.	33,08,724	1,04,18,989
		85,64,89,755	**41,23,29,885**
TOTAL (A+B+C)		**2,40,66,84,217**	**2,28,87,37,497**
ASSETS			
A. Non-Current Assets			
a) Fixed Assets	9.		
(i) Tangible Assets		35,44,421	30,26,913
(ii) Intangible Assets		3,65,525	6,00,805
b) Non-Current Investments	10.	21,70,90,324	21,70,91,549
c) Deferred Tax Assets	11.	5,68,347	4,78,030
d) Long Term Loans & Advances	12.	4,48,41,904	4,48,44,404
e) Other Non Current assets	13.	96,00,000	96,00,000
		27,60,10,522	**27,56,41,700**
B. Current Assets			
a) Inventories	14.	1,85,76,36,418	1,30,02,11,395
b) Trade Receivable	15.	76,07,001	23,94,694
c) Cash & Bank Balances	16.	2,01,03,387	29,50,130
d) Short Term Loans & Advances	17.	24,36,12,329	70,64,61,333
e) Other Current Assets	18.	17,14,561	10,78,245
		2,13,06,73,696	**2,01,30,95,797**
TOTAL (A+B)		**2,40,66,84,217**	**2,28,87,37,497**
Significant Accounting Policies & Notes On Accounts	A & B		

For and on behalf of the Board of :
ESSEL HOUSING PROJECTS PRIVATE LIMITED

Auditor's Report
As Per Our Separate Report of Even Date Annexed
For AVRM & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO.: 003705N

A.K. AGGARWAL
Partner, FCA
M.No.: 82695

PLACE : NEW DELHI
DATE :

05-12-20

DIRECTOR
SULOCHANA GOEL
DIN : 00129169

DIRECTOR
JAGMANDER GUPTA
DIN : 00019468

ESSEL HOUSING PROJECTS PRIVATE LIMITED

CIN: U70109DL1999PTC099190

LGF-10, VASANT SQUARE MALL, PLOT-A,SECTOR-B,POCKET-V,COMMUNITY CENTRE, VASANT KUNJ, NEW DELHI-110070

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	Note No.	For the period ended March 31, 2020	March 31, 2019
Revenue from operations	19.	2,72,30,607	3,52,78,561
Other Income	20.	2,80,40,693	4,65,10,730
(A) Total Revenue		**5,52,71,300**	**8,17,89,291**
Expenses:			
Cost Of Land/ Development/ Work-In-Progress	21.	11,54,381	56,04,212
Maintenance expenses	22.	42,92,987	49,91,933
Employee benefit expenses	23.	65,11,066	39,55,760
Finance Cost	24.	2,19,52,706	1,87,16,646
Depreciation and amortization expense	9.	12,73,100	5,00,701
Other expenses	25.	1,13,11,580	1,45,57,407
(B) Total Expenses		**4,64,95,820**	**4,83,26,659**
Profit before tax		87,75,480	3,34,62,632
Tax expense:			
(1) Current tax		31,82,678	1,00,88,560
(2) Deferred tax		(90,317)	4,03,689
Profit/(Loss) for the period		**56,83,119**	**2,29,70,383**
Earning per equity share:			
Basic		19.83	91.88
Diluted		1.86	79.66
Significant Accounting Policies & Notes On Accounts	A & B		

Auditor's Report
As Per Our Separate Report of Even Date Annexed
For AVRM & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO.: 003705N

(A.K. AGGARWAL)
PARTNER, FCA
M.No.: 82695

PLACE : NEW DELHI
DATE : 05.12.20

For and on behalf of the Board of :
ESSEL HOUSING PROJECTS PRIVATE LIMITED

DIRECTOR
SULOCHANA GOEL
DIN : 00129169

DIRECTOR
JAGMANDER GUPTA
DIN : 00019468

ESSEL HOUSING PROJECTS PRIVATE LIMITED

CIN: U70109DL1999PTC099190

LGF-10, VASANT SQUARE MALL, PLOT-A,SECTOR-B,POCKET-V,COMMUNITY CENTRE, VASANT KUNJ, NEW DELHI-110070

CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	For the Period Ended March 31, 2020		For the Period Ended March 31, 2019	
A. Cash Flow from Operating Activities:				
Net Profit/(Loss) before tax and extraordinary items		87,75,480		3,34,62,632
Adjustments for:				
Add:				
a. Depreciation	12,73,100		5,00,701	
b. Finance Cost	2,19,52,706		1,87,16,646	
		2,32,25,806		1,92,17,347
Less:				
a. Interest Income	2,75,21,235		4,57,79,466	
b. Dividend Income	31,445		-	
		2,75,52,680		4,57,79,466
Operating Profit before Working Capital Changes		44,48,606		69,00,513
Adjustments for:				
a. (Increase)/Decrease in Inventories	(55,74,25,023)		(44,81,50,845)	
b. (Increase)/Decrease in Trade Receivables	(52,12,307)		16,692	
c. (Increase)/Decrease in Other Current Assets	(74,71,478)		(33,34,948)	
d. (Increase)/Decrease in Short Term Loans & Advances	46,28,49,003		(1,66,95,214)	
e. Increase/(Decrease) in Trade Payables	(2,14,72,256)		5,01,66,103	
f. Increase/(Decrease) in Current Liabilities & Provisions	18,28,07,965	5,40,75,904	18,15,21,157	(23,64,77,055)
Cash Generated from Operations		5,85,24,510		(22,95,76,542)
Income Taxes (Paid)/Refund		(35,00,939)		(1,64,98,180)
Net Cash from Operating Activities		5,50,23,571		(24,60,74,722)
B. Cash Flow from Investing Activities:				
a. Purchase of Fixed Assets	(15,55,329)		(33,51,515)	
b. (Purchase) / Disposal of Investments (Net)	1,225		(78)	
c. Interest Income	2,75,21,235		4,57,79,466	
d. Dividend Income	31,445		-	
e. (Increase)/Decrease in Long Term Loans & Advances	2,500		(25,000)	
f. (Increase)/Decrease in Other Long Term Assets	-		(76,80,000)	
Net cash used in Investing Activities		2,60,01,076		3,47,22,873
C. Cash Flow from Financing Activities:				
a. Redemption of Preference Shares	-		(2,00,00,000)	
b. Term Loan Obtained / (Repaid) during the year	(32,97,10,054)		77,05,06,252	
c. Short term Loan Obtained / (Repaid) during the year	28,77,91,369		-	
d. Short term Loan (given) / Received back during the year	-		(51,92,44,279)	
e. Finance cost paid during the year	(2,19,52,706)		(1,87,16,646)	
Net Cash Flow from Financing Activities		(6,38,71,391)		21,25,45,327
Net Increase in Cash & Cash Equivilents (A+B+C)		1,71,53,256		11,93,478
Cash & Cash Equivilents (opening balance)		29,50,130		17,56,652
Cash & Cash Equivilents (closing balance)		2,01,03,387		29,50,130

Auditor's Report
As Per Our Separate Report of Even Date Annexed
For AVRM & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO.: 003705N

A.K. AGGARWAL
Partner, FCA
M.No.: 82695

PLACE :
DATE :
05-12-20

For and on behalf of the Board of :
ESSEL HOUSING PROJECTS PRIVATE LIMITED

सुलोचना
DIRECTOR
SULOCHANA GOEL
DIN : 00129169

DIRECTOR
JAGMANDER GUPTA
DIN : 00019468

A. SIGNIFICANT ACCOUNTING POLICIES

1. ACCOUNTING CONCEPTS, CONVENTIONS & SYSTEMS

The Financial Statements are prepared on the basic concept of Going Concern under Historical Cost convention on Accrual Basis by following the Mercantile System of Accounting. These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.The company follows mercantile system of accounting and recognized income and expenditure on accrual basis except those with significant uncertainty.

2. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liability on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

3. PROPERTY PLANT AND EQUIPMENT & DEPRECIATION

a) Tangible and Intangible Property, Plant & Equipment

- Property, Plant and Equipment are shown at Cost less Accumulated Depreciation. Costs include all expenses incurred to bring the asset to its present location and condition.

b) Depreciation and Amortization

- Depreciation on Property, Plant and Equipment is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

4. INVESTMENTS

a) Investments are classified as non-current or current, based on management's intention at the time of purchase. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments.

b) Trade investments are the investments made for or to enhance the company's business interests.

c) Non-Current Investments are stated at cost including directly attributable acquisition charges such as brokerage, fees and duties. Provision for diminution in value of long term investment is made, if the diminution is not temporary in nature.

d) Current Investments are valued at lower of Cost or Realizable value. Realizable Value means the net value which can be realized in ordinary course of business.

5. VALUATION OF INVENTORIES

a) Raw materials are valued at Cost.
b) Tools & Implements etc. are treated as consumables and claimed for in the year of purchase.
c) Finished stock, W.I.P. and stores are valued at lower of Cost and Net Realizable Value.

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6. REVENUE RECOGNITION:

i. Revenue from sale of Constructed Projects:-

The Company was following the "Percentage of Completion Method" of accounting for its constructed projects if the actual project cost incurred is 30% or more of the total estimated project cost. As per this method, revenue from sale of properties is recognized in Statement of Profit & Loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Company on transfer of significant risk and rewards to the buyer. This policy of revenue recognition shall continue to be followed in respect of those projects in which revenue was already recognized on or before 31.03.2012.

All projects commencing on or after 01.04.2012 or projects which have already commenced, but where the revenue is recognized for the first time on or after 01.04.2012, the revenue shall be recognized by following percentage of completion method on the basis of "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)", issued by ICAI provided the following thresholds have been met:

a. All critical approvals necessary for the commencement have been obtained;
b. The expenditure incurred on construction and development costs is not less than 25 percent of the total estimated construction and development costs;
c. At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and
d. At least 10 percent of the agreement value is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of projects income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimated is recognized in the financial statements for the period in which such changes are determined. Losses, if any, are fully provided for immediately.

ii. Revenue from sale of plots/ land etc. with development:-

The Company was recognizing revenue from sale of plots/ land etc. where only development work was carried out either when the substantial risks and rewards to ownership are transferred in favour of the buyer/customer or on execution of documents conveying title whichever is earlier. This policy of revenue recognition shall continue to be followed in respect of those projects in which revenue was already recognized on or before 31.03.2012

All projects commencing on or after 01.04.2012 or projects which have already commenced, but where the revenue is recognized for the first time on or after 01.04.2012, the revenue shall be recognized by following percentage of completion method on the basis of "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)", issued by ICAI provided the following thresholds have been met:

a. All critical approvals necessary for the commencement have been obtained;
b. The expenditure incurred on construction and development costs is not less than 25 percent of the total estimated construction and development costs;
c. At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and
d. At least 10 percent of the agreement value is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of projects income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimated is recognized in the financial statements for the period in which such changes are determined. Losses, if any, are fully provided for immediately.

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iii. **Revenue from sale of properties/plots/land without carrying out any development/ construction etc. :-**

Revenue from sale of properties/ plots/ land without carrying out any development/ construction etc. are recognized either when the substantial risks and rewards to ownership are transferred in favour of the buyer/customer or on execution of documents conveying title whichever is earlier.

iv. **Revenue from rendering services:-**

Revenue from rendering services has been accounted for on accrual basis i.e. at the time of rendering of services.

v. **Revenue from interest on FDR:-**

Interest on FDR with banks has been accounted on accrual basis.

vi. **Revenue from Dividend Income:-**

Dividend Income is recognized when the right to receive the same is established.

vii. **Revenue from other receipts:-**

Revenue in respect of certain receipts like Compensation & royalty received against acquisition of land by government authorities, Interest on income tax refund and other receipts of similar nature are accounted for on receipt basis

7. COST OF REVENUE:-

i. Cost of constructed properties / Cost of land with development includes cost of land, estimated internal development costs, external development charges, other related government charges, construction costs and development / construction materials, which is charged to the statement of profit and loss proportionate to the revenue recognized as per accounting policy, in consonance with the concept of matching cost and revenue. Final adjustment is made on completion of the applicable projects.

ii. Cost of land without any development includes actual acquisition cost and other incidental cost related to acquisition, which is charged to the statement of profit and loss proportionate to Cost of land in respect of which revenue is recognized as per accounting policy, in consonance with the concept of matching cost and revenue.

8. BORROWING COST

a) Borrowing cost directly attributable to such project, which shall be ready for sale or disposal after Substantial period of time, shall be treated as cost of Work in Progress (WIP) along with other cost of the said project.

b) All other borrowing costs are charged to statement of profit and loss at the time when they are incurred.

9. ACCOUNTING FOR TAXES ON INCOME

a) Taxes on Income are accounted for in accordance with Accounting Standard (AS)-22 issued by ICAI. Taxes comprise both Current and Deferred Tax.

b) Current Tax is measured at the amount expected to be paid/recovered from the revenue authorities using the applicable tax rate and laws.

c) The tax effect of the timing difference that results between taxable and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax assets or deferred tax liability. Deferred Tax Assets and liabilities are recognized for future tax consequence attributable to timing difference. They are measured using the substantive enacted tax rates and tax regulations.

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10. FOREIGN CURRENCY TRANSACTIONS

Foreign Currency transactions are recorded at the equivalent rupee value prevailing on the date of transaction.

11. PROVISION FOR RETIREMENT BENEFITS

a) The Company's contribution to Provident Fund is deposited with the Employees Provident Fund Organization (EPFO). These are charged to the statement of profit and loss when the contribution to the fund is due.

b) 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 less the fair value of plan assets, 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.

c) Liability in respect of compensated absences is estimated on the basis of an actuarial valuation performed by an Independent Actuary using the projected unit credit method.

12. LEASES

Lease arrangements where the risk and rewards incident to ownership of an asset substantially vest with the lessor are recognized as operating lease. Lease rent under operating leases are charged to the statement of profit and loss over the lease term in accordance with lease agreement.

Assets given under operating leases are included in property, plant and equipment. Lease income is recognized in the statement of profit and loss on a straight line basis over the lease term. Costs including depreciation are recognized as expense in the statement of profit and loss.

13. EARNINGS PER SHARE

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The weighted diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

14. CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to know amounts of cash to be cash equivalents.

16. IMPAIRMENT OF ASSETS

The company identifies impairable property, plant and equipment based on cash generating unit concept at the end in accordance with Accounting Standard – 28 issued by ICAI for the purpose of arriving at impairment loss thereon, if any, being the difference between the book value and recoverable value of relevant assets. Impairment Loss when crystallizes is charged against revenue of the year.

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B. NOTES TO ACCOUNTS

1. SHARE CAPITAL

(Amount in ₹)

Particulars	As at March 31, 2020	March 31, 2019
Authorized		
1650000 (250000) Equity Shares of Rs. 10/- each	1,65,00,000	25,00,000
160000 (300000) Prefrence Shares of Rs. 100/- each	1,60,00,000	3,00,00,000
	3,25,00,000	**3,25,00,000**
Issued, subscribed & Fully Paid up		
1466750 (250000) Equity Shares of Rs. 10/- each	1,46,67,500	25,00,000
158325 (280000) Preference Shares of Rs. 100/- each	1,58,32,500	2,80,00,000
	3,05,00,000	**3,05,00,000**

(a) Terms/Rights attached to:

Equity Shares

1 The company has only one class of equity shares having a par value of Rs 10/- per share.

2 Each holder of equity shares is entitled to vote per share and dividend in proportion to the capital paid up by each shareholder depending upon recommendation of Board of Directors and declaration by the members in the AGM.

3 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all the preferential payments, in proportion to the capital paid up by the shareholders.

Preference Shares

1 The company has only One class of shares referred to as 6% Convertible Cumulative Redeemable Preference Shares having a par value of Rs 100/- per share.

2 Preference Shareholders have One voting right in their respective meetings. However, they can participate in general meeting, as applicable, pursuant to the provision of Companies Act 2013.

3 Each shareholder is entitled to dividend at a fixed rate before the holders of the equity shares can be paid as dividend.

4 In the event of liquidation, it carries preferential right in regard to payment of capital.

(b) Reconciliation of the shares outstanding at the beginning and end of the reporting year: -

(Amount in ₹)

	As at March 31, 2020		March 31, 2019	
Equity Shares	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**
At the beginning	2,50,000	25,00,000	2,50,000	25,00,000
Add: Due to conversion of preference shares	12,16,750	1,21,67,500	-	-
At the end	14,66,750	1,46,67,500	2,50,000	25,00,000

Reconciliation of the shares outstanding at the beginning and end of the reporting year: -

(Amount in ₹)

	As at March 31, 2020		March 31, 2019	
Preference Shares	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**
At the beginning	2,80,000	2,80,00,000	20,00,000	2,00,00,000
Add: Issued during the period	-	-	2,80,000	2,80,00,000
Less: Redemption of shares during the year	-	-	20,00,000	2,00,00,000
Less: Conversion in to equity shares during the period	1,21,675	1,21,67,500	-	-
At the end	1,58,325	1,58,32,500	2,80,000	2,80,00,000

(c) Details of Shareholders holding more than 5% shares in the company

	As at March 31, 2020		March 31, 2019	
Name of the Equity shareholder	**No. of Shares**	**% held**	**No. of Share**	**% held**
M/s Subhash Chander Aggarwal & Son (HUF)	3,56,750	24.32	93,750	37.50
Smt. Veena Garg	50,000	3.41	50,000	20.00
Smt. Sulochana Goel	9,11,750	62.16	93,750	37.50
M/s. Topmatic Wellness Pvt. Ltd.	1,48,250	10.11	12,500	5.00

	As at March 31, 2020		March 31, 2019	
Name of the Prefrence Shareholder	**No. of Shares**	**% held**	**No. of Share**	**% held**
M/s Subhash Chander Aggarwal & Son (HUF)	78,700	49.71	1,05,000	49.71
Smt. Sulochana Goel	23,200	14.65	1,05,000	14.65
Smt. Veena Garg	56,000	35.37	56,000	35.37
Total	**1,58,325**	**100**	**2,80,000**	**100**

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2. Reserves & Surplus

(Amount in ₹)

Particulars	As at March 31, 2020	March 31, 2019
Capital Redemption reserve		
Opening Balance	-	-
Additions during the period	-	2,00,00,000
Deductions during the period	-	2,00,00,000
Closing Balance	-	-
Surplus		
Opening Balance	79,15,70,259	79,65,99,877
Add: - During year after tax	56,83,119	2,29,70,383
Less: - Appropriations	-	2,80,00,000
Closing Balance	79,72,53,378	79,15,70,259
Total	**79,72,53,378**	**79,15,70,259**

3. Long Term Borrowings

(Amount in ₹)

Particulars		March 31, 2020	March 31, 2019
Secured			
Term loans from banks		11,41,66,450	15,94,87,889
Term loans from Financial Institutions		64,23,94,512	92,49,36,878
	Total	75,65,60,962	1,08,44,24,767
Less : Current Matuities of Long Term Debt (Refer Note No.7)		4,05,08,859	3,86,62,610
		71,60,52,103	**1,04,57,62,157**

3.1 Details of Secured Loans/Terms of Repayment/Continuing Default

(Amount in ₹)

Particulars	As at March 31, 2020	March 31, 2019
Term Loan taken from Pnb Housing Finance Limited at the rate of PNBHFR-.98% and is secured by equitable mortgage. Balance of said loan is repayable in 30 monthly installments starting from September 2021.	64,23,94,512	92,49,36,878
Overdraft (Working Capital) facility taken from Kotak Mahindra Bank at the rate of 6 M MCLR+3.70% and is secured by equitable mortgage. Balance of said loan is repayable in 37 monthly installments of Rs.16,66,667/-.	4,83,69,715	7,62,23,222
Overdraft (Working Capital) facility taken from Kotak Mahindra Bank at the rate of 6 M MCLR+3.55% % and is secured by equitable mortgage. Balance of said loan is repayable in 37 monthly installments of Rs.8,33,333 /-.	2,89,32,789	3,81,49,815
Vehicle Loan taken from Kotak Mahindra Bank at the rate of ROI 9.10% and is secured by Hypothication against specific vehicle. Balance of said loan is repayable in 46 equal monthly installments of Rs. 20,890/-.	8,04,390	9,70,931
Term Loan taken from Kotak Mahindra Bank at the rate of 1 Year MCLR + 3.40% and is secured by equitable mortgage. Balance of said loan is repayable in 37 monthly installments of Rs 11,12,222/-.	3,43,56,601	4,28,94,253
Vehicle Loan taken from Yes Bank at the rate of ROI 9.10% and is secured by Hypothication against specific vehicle. Balance of said loan is repayable in 43 equal monthly installments of Rs. 28,089/-.	10,21,061	12,49,668
Vehicle Loan taken from ICICI Bank Ltd at the rate of ROI 9.75 and is secured by Hypothication against specific vehicle. Balance of said loan is repayable in 53 equal monthly installments of Rs. 15,886/-.	6,81,894	-

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4. Other Long Term Liabilities

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
Security Deposits	58,71,300	82,17,450
Total	58,71,300	82,17,450

5. Long Term Provisions

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Employee benefits	5,17,681	3,57,746
Total	**5,17,681**	**3,57,746**

6. Short Term Borrowings

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
UnSecured		
Loans repayable on demand-from Related parties	10,21,305	-
Loans repayable on demand-from other parties	29,50,31,365	82,61,301
Total	**29,60,52,670**	**82,61,301**

7. Other Current Liabilities

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance Against Booking/ Agriculture land to be aggregated	38,21,12,024	16,17,61,253
Amount Payable	53,27,665	4,75,50,163
Duties & Taxes Payable	30,13,030	35,58,998
Interest accrued but not due on borrowings	3,26,384	3,94,988
Other Expenses payable	62,76,561	61,79,438
Other Payables	3,20,00,000	3,20,00,000
Temorary Book Overdraft	1,25,757	43,29,369
Security Deposit	3,62,57,308	2,65,59,747
Current Matuities of Long Term Debt (Refer Note No.3)	4,05,08,859	3,86,62,610
Total	**50,59,47,588**	**32,09,96,566**

8. Short Term Provisions

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Audit Fees	67,500	67,500
Provision for Employee benefits	58,546	15,388
Provision for Current Tax	31,82,678	1,03,36,101
Total	**33,08,724**	**1,04,18,989**

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9. FIXED ASSETS

(Amount in `)

Particulars	Gross Block				Depreciation & Amortization				Net Book Value	
	As at 01.04.2019	Additions/ acquisitions through business combinations During The period	Disposals/ other adjustments during the period	As At 31.03.2020	Upto 31.03.2019	For the period	Adjustment	Upto 31.03.2020	As At 31.03.2020	As At 31.03.2019
Freehold Tangible Assets:										
Building (Community Building for the purpose of Community use)	-	-	-	-	-	-	-	-	-	-
Plant & Equipment	17,20,926	6,23,828	-	23,44,754	16,61,908	23,374	-	16,85,282	6,59,472	59,018
Furniture & Fixtures	17,31,575	-	-	17,31,575	15,15,482	42,127	-	15,57,609	1,73,966	2,16,093
Vehicles	27,73,588	9,31,501	-	37,05,089	2,82,531	9,57,650	-	12,40,181	24,64,908	24,91,057
Office Equipment	20,97,957	-	-	20,97,957	18,69,813	14,669	-	18,84,483	2,13,474	2,28,144
Others	19,99,380	-	-	19,99,380	19,66,780	-	-	19,66,780	32,600	32,600
	1,03,23,426	**15,55,329**	**-**	**1,18,78,755**	**72,96,513**	**10,37,820**	**-**	**83,34,334**	**35,44,421**	**30,26,913**
Intangible Assets:										
Computer software	9,72,742	-	-	9,72,742	3,71,937	2,35,280	-	6,07,217	3,65,525	6,00,805
	9,72,742	**-**	**-**	**9,72,742**	**3,71,937**	**2,35,280**	**-**	**6,07,217**	**3,65,525**	**6,00,805**
GRAND TOTAL	**1,12,96,168**	**15,55,329**	**-**	**1,28,51,497**	**76,68,451**	**12,73,100**	**-**	**89,41,551**	**39,09,946**	**36,27,717**
Previous Year Figures	**79,44,653**	**33,51,515**	**-**	**1,12,96,168**	**71,67,750**	**5,00,701**	**-**	**76,68,451**	**36,27,717**	

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10. Non-Current Investments

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
Non Trade Investment-UnQuoted		
Investment in Equity Instruments	1,32,448	1,32,448
Investment in Preference Shares	21,69,16,712	21,69,16,712
Investment in LLP	41,164	42,389
Total	**21,70,90,324**	**21,70,91,549**

10.1 Details of Investments(Non-Current)

Particulars	As at March 31, 2020	As at March 31, 2019
Investment in 8 (8) Equity Shares of Suncity Infrastructure Pvt. Ltd., fully paid, having face value for Rs.10 each	1,32,448	1,32,448
Investment in 13,102 (13,102) Preference Shares of Suncity Infrastructure Pvt. Ltd., fully paid, having face value for Rs.10 each	21,69,16,712	21,69,16,712
Investment in Essel Platinum Tower LLP	43,614	42,389
Total Capital & Current A/c of LLP	36,54,356	49,43,813
Name of the Partners & Their shares in Profits (in%)		
Ankit Goel	11.43	11.43
Arpit Goel	11.43	11.43
Atul Goel	11.43	11.43
Essel Housing Projects Pvt Ltd	1.00	1.00
Laxmi Narain Goel	27.85	22.85
Ram Mehar Garg	7.38	7.38
Subhash Chander Aggarwal	22.13	22.13
Suncity Sez Projects Pvt Ltd	-	5.00
Vijay Gupta	7.38	7.38

11. Deferred Tax Assets

Comprises timing differences on account of: (Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Assets		
Depriciation	4,23,322	3,74,224
Provision for Employee Benefits	1,45,025	1,03,806
Total	**5,68,347**	**4,78,030**
Deferred Tax Liabilities		
	-	-
Total	-	-
Deferred Tax Assets (net)	**5,68,347**	**4,78,030**

The company has created in its Profit and Loss account a sum of Rs 90317 Deferred Tax Assets (Net) for the year.

12. Long Term Loans & Advances

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered Good		
Security Deposits	4,48,41,904	4,48,44,404
Total	**4,48,41,904**	**4,48,44,404**

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13. Other Non Current Assets

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
Bank Deposits with more than 12 months maturity held as Margin	96,00,000	96,00,000
Total	**96,00,000**	**96,00,000**

14. Inventories

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
WIP-Valued at Cost or Market Value whichever is less	1,85,76,36,418	1,30,02,11,395
Total	**1,85,76,36,418**	**1,30,02,11,395**

15. Trade Receivable

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered Good		
Due for More than Six Months	12,01,103	18,36,624
Other Receivables	64,05,898	5,58,070
Total	**76,07,001**	**23,94,694**

16. Cash & Bank Balances

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and Cash Equivalents		
Balances with Banks		
Current Account	1,97,70,947	27,00,022
Cash In hand	3,32,440	2,50,108
	2,01,03,387	**29,50,130**

17. Short Term Loans & Advances

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
Short Term Loans and Advances		
Unsecured, Considered Good		
Security Deposits	43,54,250	22,00,000
Loans or Advances to Companies	-	51,92,44,279
Income tax Refund Due	3,17,10,638	2,17,10,638
Prepaid Expenses	29,81,388	49,86,227
TDS & Advance Tax	69,00,906	68,35,162
Amount Recoverable in cash or in kind	17,74,15,846	12,73,66,691
Short Term Loans and Advances-Related		
Unsecured, Considered Good		
Security Deposits	2,00,00,000	2,00,00,000
Amount Recoverable in cash or in kind	2,49,301	41,18,336
Total	**24,36,12,329**	**70,64,61,333**
Due by firms or pvt cos. In which any director is partner/director/member	2,49,301	41,18,336

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For Essel Housing Projects Pvt. Ltd.

Auth. Sing./Director

For Essel Housing Projects Pvt. Ltd.

Director

18. Other Current Assets

(Amount in ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest accrued on FDR	13,28,688	5,49,772
Surplus of Gratuity	3,85,873	5,28,473
Total	**17,14,561**	**10,78,245**

19. Revenue From Operations

(Amount in ₹)

Particulars	For the period ended March 31, 2020	For the period ended March 31, 2019
Revenues from Sale of services		
Maintainence Income	55,41,600	48,61,567
Lease Income	40,06,447	54,51,967
Revenues from Sale of products		
Sale of Product / Flats / Plots	1,54,83,060	2,26,09,338
Other Operating Revenue	21,99,500	23,55,689
Total	**2,72,30,607**	**3,52,78,561**

20. Other Income

(Amount in ₹)

Particulars	For the period ended March 31, 2020	For the period ended March 31, 2019
Interest Income	2,75,21,235	4,57,79,466
Dividend Income	31,445	-
Share of Profit in LLP	-	78
Other Non-operation Income	4,88,013	7,31,186
Total	**2,80,40,693**	**4,65,10,730**

21. Cost Of Land/ Development/ Work-In-Progress

(Amount in ₹)

	Particulars	For the period ended March 31, 2020	For the period ended March 31, 2019
A.	**Opening Balance of Work in Progress**	1,30,02,11,395	85,20,60,550
B.	**Incurred during the year:**		
	Land Cost/ Incidental Expenses	-	-
	Development & Construction Expenses	28,44,96,322	29,51,06,912
	Financial Expenses	10,46,22,975	8,13,10,177
	External/Infrastructure Development Charges	4,22,06,876	2,81,49,475
	License/Scrutiny/Conversion Charges	7,36,59,480	73,100
	Other Expenses	5,35,93,752	4,91,15,393
		55,85,79,404	45,37,55,057
C.	**Less:**		
	Cost of Sales of Work in Progress Amortised to Statement of Profit & Loss	11,54,381	56,04,212
	Closing Balance of Raw Material Carried to Balance Sheet (A+B-C)	**1,85,76,36,418**	**1,30,02,11,395**

22. Maintenance expenses

(Amount in ₹)

Particulars	For the period ended March 31, 2020	For the period ended March 31, 2019
Maintenance Charges	42,92,987	49,91,933
Total	**42,92,987**	**49,91,933**

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For Essel Housing Projects Pvt. Ltd.

Auth. Sing./Director

For Essel Housing Projects Pvt. Ltd.

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Auth. Sing./Director

23. Employee Benefit Expenses

(Amount in ₹)

Particulars	For the period ended March 31, 2020	March 31, 2019
Salaries and wages	64,67,895	39,41,785
Staff Welfare Expenses	43,171	13,975
Total	**65,11,066**	**39,55,760**

24. Finance Cost

(Amount in ₹)

Particulars	For the period ended March 31, 2020	March 31, 2019
Interest on Unsecured Loan	77,13,806	11,00,055
Interest on TDS	2,070	14,840
Interest on Secured Loan	49,76,104	55,78,507
Interest on Overdraft	87,76,325	1,03,98,536
Interest on Income Tax for Earlier Years	3,37,568	9,56,441
Interest on Current Tax	-	2,47,541
Interest On GST	5,251	21,398
Other Interest	1,41,582	1,79,883
Other Borrowing Cost	-	2,19,445
Total	**2,19,52,706**	**1,87,16,646**

25. Other Expenses

(Amount in ₹)

Particulars	For the period ended March 31, 2020	March 31, 2019
Lease Rental Expenses	6,00,000	6,00,000
Audit Fees	76,180	69,862
Books and periodicals	4,140	-
Conveyance Expense	1,33,740	1,46,565
Filling Fees & Legal Expenses	95,745	2,08,807
Insurance Expenses	18,383	5,567
Internet & Computer Expenses	37,120	35,182
Miscellaneous Expense	36,10,727	12,56,801
Office Upkeep & Maintenance	12,03,252	12,65,872
Postage, Telegrams & Telephone Expenses	20,332	19,479
Power Fuel & Electricity	32,73,204	37,51,960
Printing & Stationary	18,446	29,817
Repair & Maintenance	3,56,089	2,76,823
Watch & Ward	-	1,35,506
Bank Charges	9,750	38,182
Business Promotion/Gifts & Complimentaries	-	7,56,954
Commission expenses	-	17,00,000
Donation	12,00,000	15,50,000
Professional Charges	3,78,089	23,88,396
Rates and taxes	2,24,845	3,21,626
Share of Loss in Limited Liability Partnership	1,225	-
Short & Excess	-	8
Foreign Travelling		
Directors	NIL	NIL
Others	NIL	NIL
Domestic Travelling		
Directors	₹ 50,313/-	NIL
Others	NIL	NIL
Total	**1,13,11,580**	**1,45,57,407**

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For Essel Housing Projects Pvt. Ltd.

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For Essel Housing Projects Pvt. Ltd.

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26. Related Party Disclosure

Names of related parties and description of relationship:

Holding Company :
NIL

Subsidiary Company :
NIL

Fellow Subsidiary Company :
NIL

Associates :
NIL

Directors / Key Management Personnel :
Mrs. Sulochana Goel
Sh. Jagmander Gupta

Relatives of Directors / Key Management Personnel :
NIL

Other Related parties :
M/S Aparajita Business Venture
M/S Namdev Construction Private Limited
M/s. Essel Energy Infra Private Limited
M/s. Essel Platinum Tower LLP
M/s. Essel Propwell Private Limited
M/s. Essel Tower Maintenance Private Limited
M/s. Suncity Projects Private Limited
M/s. Suncity Realtor Private Limited

Transactions:

(Amount in ₹)

	For the period ended	
Particulars	**March 31, 2020**	**March 31, 2019**
Amount Paid against Payable	20,521	16,31,421
Purcahse of Construction, Development & Maintenance material	9,40,39,070	5,05,249
Maintenance charges and Other (Income)	48,93,998	52,91,298
Financial, Management Consultancy,Commission & Other Charges	7,43,92,619	6,89,20,306
Profit in LLP	-	78
Loss in LLP	(1,225)	-
Unsecured Loan Received Back	-	4,66,16,906
Amount Paid to Creditors	11,72,14,075	2,81,51,093
Amount Paid on Our Behalf	-	32,084
Unsecured Loan Taken	34,00,000	-
Interest On Loan Given	-	40,753
Interest On Loan Taken	21,305	-
Repayment Of Unsecured Loan Taken	24,00,000	-
Staff Welfare, Insurance & Other Expenses	20,521	80,925
Amount Paid Against Manitenance Charges	49,32,519	51,00,661
Amount Paid for Purchase of construction related items	8,50,53,067	4,07,083
Sale Of Construction Material	11,80,069	3,85,082
Sale of Plant & Scrap	1,82,689	-
Amount Received Against Receivable	46,91,943	3,80,834

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Balances:

(Amount in ₹)

Particulars	As at March 31, 2020	March 31, 2019
Amount Recoverable	2,02,49,301	2,41,18,336
Investment	41,164	42,389
Advance against booking for sale of Flats	6,08,85,002	6,08,85,002
Amount payable	1,86,45,828	1,86,45,828
Trade Payable	1,46,26,970	3,97,30,922
Unsecured Loan Taken	10,21,305	-
Trade Receivable	3,58,400	-

27. Earning Per Share

(Amount in ₹)

Particulars	For the period ended March 31, 2020	March 31, 2019
Net Profit after tax	56,83,119	2,29,70,383
Weighted average no. of Equity Shares (Nos.)	2,86,569	2,50,000
Weighted average no. of Diluted Equity Shares (Nos.)	30,50,000	2,88,356
Nominal Value of Equity Shares	10	10
Basic Earning Per Share	19.83	91.88
Diluted Earning Per Share	1.86	79.66

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For Essel Housing Projects Pvt. Ltd.

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For Essel Housing Projects Pvt. Ltd.

Auth. Sing./Director

28. Estimated amount of contracts on capital accounts to be executed but not provided for are NIL.

29. Contingent Liabilities

i. The company has executed guarantee of ₹ 2,74,66,000/- in favour of The Director, Town and Country Planning, Haryana towards guaranteeing of payment relating to Internal Development Works. The said guarantee was given in the shape of Bank guarantee executed by State Bank of India, Industrial Finance Branch. The management is of the view that no liability will arise on this account.

ii. The company has executed guarantee of ₹ 28,05,000/- in favour of The Director, Town and Country Planning, Haryana towards guaranteeing of payment relating to Internal Development Works. The said guarantee was given in the shape of Bank guarantee executed by Yes Bank Ltd. The management is of the view that no liability will arise on this account.

iii. The Indian Airlines Co-Operative House Building Society Ltd. had filed a claim against the company before the Hon'ble Arbitral Tribunal. In the said claim the Society has filed certain claims against the company which the company has contested and also filed counter claims against the society. The Hon'ble Arbitral Tribunal has passed an award against which both the parties i.e. the company & the society has filed petition before Hon'ble Delhi High Court challenging certain portions of the award. The matter is subjudice being pending for adjudication. The management is of the view that no liability will arise on this account and no provision is required to be made in this respect. Accordingly, no provision is made in the year under consideration in this respect.

iv. The company has executed guarantee of ₹ 2,23,94,618/- in favour of The Director, Town and Country Planning, Haryana towards guaranteeing of payment relating to Internal Development Works & External Development Charges. The said guarantee was given in the shape of Bank guarantee executed by Yes Bank Ltd., out of credit facility sanctioned to M/s Suncity Projects Pvt. Ltd. the management is of the view that no liability will arise on this account.

v. The company has executed guarantee of ₹ 2,46,72,500/- in favour of The Director, Town and Country Planning, Haryana towards guaranteeing of payment relating to External Development Works. The said guarantee was given in the shape of Bank guarantee executed by executed by State Bank of India, Industrial Finance Branch, out of credit facility sanctioned to M/s Suncity Projects Pvt. Ltd.. The management is of the view that no liability will arise on this account.

vi. The company has executed guarantee of ₹ 49,29,690/- in favour of The Director, Town and Country Planning, Haryana towards guaranteeing of payment relating to Internal Development Works. The said guarantee was given in the shape of Bank guarantee executed by State Bank of India, Industrial Finance Branch, out of credit facility sanctioned to M/s Suncity Projects Pvt. Ltd.. The management is of the view that no liability will arise on this account.

vii. The Income Tax Assessment of the company for Assessment year 2001-02 was completed u/s 143(3) of the Income Tax Act, 1961 and the income was assessed at ₹ 27,56,463/- and a demands of ₹ 15,67,134/- was created. The Company had filed an appeal against the said orders with CIT (Appeals)-XIV, New Delhi who confirmed the addition made by the A.O. and also enhanced the income by. ₹11,350/-. The Company had filed appeal with I.T.A.T against the order of CIT (A) - XIV, New Delhi which was allowed in the favour of the company and the demand was cancelled. The Department has filed appeal with High Court against the orders of I.T.A.T, which is still pending before Hon'ble High Court. In terms of legal advice, the management is of the view that no liability will arise against the company in the said matter and hence no provision is required to be made in this regard.

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viii. The Income Tax Assessment of the company for Assessment year 2010-11 was completed u/s 148 read with section 143(3) of the Income Tax Act, 1961 and a demand of ₹ 4,88,93,580 /- was created. The Company has filed an appeal against the said order with CIT (Appeals)-3, New Delhi which was rejected. The company has filed the appeal against the said order with I.T.A.T., New Delhi which is pending. In terms of legal advice, the management is of the view that no liability will arise against the company in the said matter and hence no provision is made in this regard.

ix. Except above there is no other contingent liability at the end of the reporting period.

30. There are no Micro and Small Scale Business Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at March 31, 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

31. Employee Benefits

In accordance with the revised accounting standard 15, issued by the Institute of Chartered Accountants of India, the requisite disclosure are as follows:

Accounting policy for recognizing actuarial gains and losses

Actuarial gain and losses arising from experience adjustment and effects of changes in actuarial assumptions are immediately recognized in the statement of profit and loss account as income or expenses.

Description of the type of plan(s)

a) Gratuity plan

The gratuity liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of actuarial valuation.

- Movement in net liability

(Amount in ₹)

Particulars	**31.03.2020**	**31.03.2019**
Present value of obligation as at the beginning of the period(A)	3,46,064	9,75,632
Acquisition adjustment (B)	--	--
Interest cost (C)	26,474	75,221
Current service cost (D)	1,48,642	43,019
Benefits paid / payable (E)	--	(8,75,192)
Actuarial (gain) / loss on obligation (F)	31,682	1,27,384
Present value of obligation as at the end of the period (G=A+B+C+D+E+F)	**5,52,862**	**3,46,064**

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For Essel Housing Projects Pvt. Ltd.

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For Essel Housing Projects Pvt. Ltd.

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- Movement in the fair value of plan assets

(Amount in ₹)

Particulars	31.03.2020	31.03.2019
Fair value of plan assets as at the beginning of the period (A)	8,74,537	8,57,388
Acquisition adjustment (B)	--	--
Expected return on plan assets (C)	65,590	64,304
Contributions (D)	(5,486)	8,38,475
Benefits paid (E)	--	(8,75,192)
Actuarial gain/(loss) on plan assets (F)	4,094	(10,438)
Fair value of plan assets as at the end of the period (G=A+B+C+D+E+F)	**9,38,735**	**8,74,537**

- The amount recognized in the balance sheet and statement of profit and loss are as follows:

➢ The amounts recognized in balance sheet and related analysis: -

(Amount in ₹)

Particulars	31.03.2020	31.03.2019
Present value of unfunded obligation	5,52,862	3,46,064
Estimated fair value of plan assets	9,38,735	8,74,537
Fund Status Net Assets / (Liability) recognized	**3,85,873**	**5,28,473**

➢ Expense recognized in the statement of profit and loss: -

(Amount in ₹)

Particulars	31.03.2020	31.03.2019
Current service cost (A)	1,48,642	43,019
Past service cost (B)	--	--
Interest cost (C)	26,474	75,221
Expected return on plan assets (D)	(65,590)	(64,304)
Curtailment cost / (Credit) (E)	--	--
Settlement cost / (credit) (F)	--	--
Net actuarial (gain)/ loss recognized in the period (G)	27,588	1,37,822
Expenses recognized in the statement of profit and losses (H=A+B+C+D+E+F+G)	**1,37,114**	**1,91,758**

b) <u>Compensated absences plan</u>

The earned leave liability arises as and when services are performed by an employee. The aforesaid liability is calculated for leave balance outstanding as on reporting date.

- Movement in net liability

(Amount in ₹)

Particulars	31.03.2020	31.03.2019
Present value of obligation as at the beginning of the period (A)	3,73,134	16,83,438
Interest cost (B)	28,545	1,29,793
Current service cost (C)	1,49,409	46,313
Benefits paid / payable (D)	(12,133)	(13,99,525)
Acquisition adjustment (E)	--	--
Actuarial (gain) / loss on obligation (F)	37,272	(86,885)
Present value of obligation as at the end of the period (G=A+B+C+D+E+F)	**5,76,227**	**3,73,134**

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For Essel Housing Projects Pvt. Ltd.

Auth. Sing./Director

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Auth. Sing./Director

- The amount recognized in the balance sheet and statement of profit and loss are as follows:

➢ The amounts recognized in balance sheet and related analysis: -

(Amount in ₹)

Particulars	**31.03.2020**	**31.03.2019**
Present value of obligation as at the end of the period	5,76,227	3,73,134
Fair value of plan assets as at the end of the period	--	--
Funded status / Difference	(5,76,227)	(3,73,134)
Excess of actual over estimated	--	--
Unrecognized actuarial (gains) / losses	--	--
Net asset / (liability)recognized in balance sheet	**(5,76,227)**	**(3,73,134)**

➢ Expense recognized in the statement of profit and loss: -

(Amount in ₹)

Particulars	**31.03.2020**	**31.03.2019**
Present value of unfunded obligation	5,76,227	3,73,134
Estimated fair value of plan assets	--	--
Fund Status Net Assets / (Liability)	(3,73,134)	(3,73,134)
Current service cost	1,49,409	46,313
Interest cost	28,545	1,29,793
Expected return on plan assets	--	--
Net Actuarial (gain) / loss recognized in the period	37,272	(86,885)
Net cost recognized for the year	**2,15,226**	**89,221**

Principal actuarial assumptions:

S. No.	**Particulars**	**31/03/2020**	**31/03/2019**
1	Discount rate	6.80%	7.65%
2	Future salary increase	5.50%	5.50%
3	Retirement age	60	60
4	Mortality table	IALM (2012-14)	

The estimates of future salary growth rates have taken into account the inflation, seniority, promotion and other relevant factors on long term basis.

32. Remuneration to Auditors

(Amount in ₹)

Particulars	**2019-2020**	**2018-2019**
As Auditor	75,000	75,000
For Taxation matters	Nil	Nil
For Company Law matters	Nil	Nil
For Management Services	Nil	Nil
For Other Services	Nil	Nil
For Reimbursement of Expenses	Nil	Nil

33. Segment Reporting

Company is engaged in the business of Real Estate Development and building construction, which is one business segment only. Similarly, Operations of company are restricted to one Geographical segment only. Hence, disclosure requirements as per Accounting Standard -17 are not applicable.

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Auth. Sing./Director

For Essel Housing Projects Pvt. Ltd.

Auth. Sing./Director

34. Balances are subject to confirmation and reconciliation, if any.

35. Previous year's figures have been regrouped and reclassified wherever necessary to make them comparable with current year's figures.

For and on behalf of Board of:
ESSEL HOUSING PROJECTS PRIVATE LIMITED

AVRM & Associates
New Delhi
Chartered Accountants

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DIRECTOR	**DIRECTOR**
SULOCHANA GOEL	JAGMANDER GUPTA
DIN : 00129169	DIN : 00019468

PLACE: NEW DELHI
DATE: 05.12.20