

**ELEVENTH  
ANNUAL  
REPORT**

**Terra Infracon Private Limited**

**2022-23**

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TERRA INFRACON PRIVATE LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of M/s. TERRA INFRACON PRIVATE LIMITED, B-52/AB, 2<sup>ND</sup> FLOOR, KALKAJI, NEW DELHI (CIN: U70109DL2013PTC248476) ("the Company"), which comprise of the Balance Sheet as at 31 March, 2023 and the Statement of Profit and Loss for the year then ended and a summary of significant Accounting Policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, 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 mis-statement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are



appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

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 a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March 2023 and its profit for the year ended on that date.

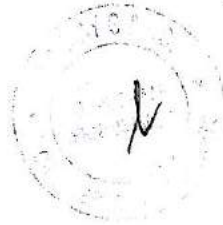
### **Report on other Legal and Regulatory Requirements**

1. Requirements of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, are not applicable to the Company.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31 March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.




- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred by the Company to the Investor Education and Protection Fund.

Place : Gurugram  
Dated: 07.09.2023



For SANJAY G & CO  
CHARTERED ACCOUNTANTS  
(FRN: 033802N)

  
CA. SANJAY GUPTA  
Proprietor  
Membership No. 054715  
UDIN: 23054715BGXOOO4603



**Annexure "A" to the Independent Auditor's 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. TERRA INFRACON PRIVATE LIMITED** ("the Company") as of March 31, 2023 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. 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 the authorisation of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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.

Place : Gurugram  
Dated: 07.09.2023

For SANJAY G & CO  
CHARTERED ACCOUNTANTS  
(FRN: 033802N)

  
CA. SANJAY GUPTA  
Proprietor  
Membership No. 054715  
UDIN: 23054715BGXOOO4603



**TERRA INFRACON PRIVATE LIMITED****BALANCE SHEET AS AT 31ST MARCH 2023**

	Note	31st March 2023 (Rs.)	31st March 2022 (Rs.)
<b>Equity and Liabilities</b>			
Shareholder's Funds			
Share Capital	1	1,000,000	1,000,000
Reserves and Surplus	2	(2,165,046)	(2,191,838)
		(1,165,046)	(1,191,838)
<b>Non - Current Liabilities</b>			
Long Term Borrowings	3	4,045,000	2,945,000
Deferred Tax Liability	4	(2,942)	(3,291)
		4,042,058	2,941,709
<b>Current Liabilities</b>			
Short Term Borrowings	5	-	-
Trade Payables	6	8,872,240	-
Other Current Liabilities	7	143,000	49,553
Short Term Provisions	8	390	-
		9,015,630	49,553
		<u>11,892,642</u>	<u>1,799,424</u>
<b>Assets</b>			
<b>Non - Current Assets</b>			
Fixed Assets	9		
Tangible Assets		120,633	29,660
Intangible Assets		-	-
Other Non Current Assets	10	120,633	29,660
Pre Operative Expense (To the extent not written off)		209,000	209,000
		-	-
<b>Current Assets, Loans and Advances</b>			
Inventories	11	10,972,369	358,097
Trade Receivables	12	128,797	129,797
Cash and Bank Balances	13	436,462	67,442
Other Current Assets	14	25,381	1,005,428
		<u>11,892,642</u>	<u>1,799,424</u>
Notes forming part of financial statement	21		

As per our Report annexed  
**For SANJAY G & CO**  
Chartered Accountants  
(FRN: 033802N)

CA. Sanjay Gupta  
Proprietor

Membership No.054715

UDIN: 23054715BGX0004603

For and on behalf of the Board of Directors  
**TERRA INFRACON PRIVATE LIMITED**

DISHANT SANDUJA  
(Director)  
DIN: 06430900

GAYATRI DEVI  
(Director)  
DIN: 00093653

Place: Gurugram  
Date : 7th September, 2023

# **TERRA INFRACON PRIVATE LIMITED**

## **STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023**

	Note	31 March 2023 (Rs)	31 March 2022 (Rs)
<b><u>INCOME</u></b>			
Sales	15	-	2,807,265
Other Income	16	126,715	346,243
Variation in Inventory	17	-	(2,089,131)
		<b>126,715</b>	<b>1,064,377</b>
<b><u>EXPENDITURE</u></b>			
Purchase		-	1,839,516
Direct Expenses	18	-	57,750
		<b>-</b>	<b>1,897,266</b>
Gross Profit / (Loss)		126,715	(832,889)
Employees' Remuneration & Welfare Expenses	19	-	491,450
Administration, Selling & Other Expenses	20	87,994	71,178
Financial Charges		-	-
Depreciation	9	9,027	10,362
		<b>97,021</b>	<b>2,470,256</b>
Profit/(Loss) before Interest, Deprn. & Tax		<b>38,721</b>	<b>(1,395,517)</b>
Profit/(Loss) before Tax		<b>29,694</b>	<b>(1,405,879)</b>
Less: Provision for Income Tax			
- Current Tax		2,553	-
- Deferred Tax		349	(1,085)
- Income Tax For Earlier Years Written back		-	-
		<b>2,902</b>	<b>(1,085)</b>
Net Profit/(Loss) after Tax		<b>26,792</b>	<b>(1,404,794)</b>
EPS		<b>0.27</b>	<b>(14.05)</b>
Notes forming part of Accounts	21		

As per our Report annexed  
For **SANJAY G & CO**  
Chartered Accountants  
(FRN: 033802N)

CA. Sanjay Gupta  
Proprietor

Membership No.054715  
UDIN: 23054715BGX0004603

For and on behalf of the Board of Directors  
**TERRA INFRACON PRIVATE LIMITED**

  
**DISHANT SANDUJA**  
(Director)  
DIN: 06430900

  
**GAYATRI DEVI**  
(Director)  
DIN: 00093653

Place: Gurugram  
Date : 7th September, 2023



# **TERRA INFRACON PRIVATE LIMITED**

**NOTES 1 TO 21 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND STATEMENT OF PROFIT & LOSS ACCOUNT**

	31 March 2023 (Rs)	31 March 2022 (Rs)
<b>1 SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
50,00,000 Equity Shares of Rs. 10/- each	50,000,000	50,000,000
	<u>50,000,000</u>	<u>50,000,000</u>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
100,000 Equity Shares of Rs. 10/- each	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>

**Details of Shareholders holding more than 5% shares as at 31st March 2023**

Name of Share Holder	% Holding	No. of Shares	% Holding	No. of Shares
Mrs. Gayatri Devi	40	40,000	40	40,000
Mr. Dishant Sanduja	60	60,000	35	35,000
Mr. Ajay Kumar	25	-	25	25,000
	<u>100</u>	<u>100,000</u>	<u>100</u>	<u>100,000</u>

**Reconciliation of Number of Shares**  
**Equity shares**

Number of Shares at 01.04.2022

Add: Shares issued during the year

Number of Shares at 31.03.2023

As at 31st March 2023	As at 31st March 2022
100,000	100,000
<u>100,000</u>	<u>100,000</u>

## **2 RESERVES AND SURPLUS**

**Surplus in Profit and Loss A/C**

Balance as on 01.04.2022

Add: Net Profit/(Loss) for the Year

Amount available for appropriation

(2,191,838)	(787,044)
26,792	(1,404,794)
<u>(2,165,046)</u>	<u>(2,191,838)</u>

## **3 LONG TERM BORROWINGS**

**Unsecured**

From Directors

From Shareholders & Relatives

3,275,000	2,175,000
770,000	770,000
<u>4,045,000</u>	<u>2,945,000</u>

## **4 DEFERRED TAX LIABILITY**

Deferred Tax Assets & Liabilities are attributable to the following items

Depreciation for the year as per Companies Act, 2013

Less: Depreciation as per Income Tax Act, 1961

Liabilities

9,027	10,362
10,369	6,189
<u>(1,342)</u>	<u>4,173</u>

Net Deferred Tax Liability / (Asset)

Less: Deferred Tax b/f

(1,342)	4,173
349	(1,085)
<u>(3,291)</u>	<u>(2,206)</u>
<u>(2,942)</u>	<u>(3,291)</u>

## **5 SHORT TERM BORROWINGS**

**Unsecured**

From Directors Relatives

-	-
<u>-</u>	<u>-</u>

# TERRA INFRACON PRIVATE LIMITED

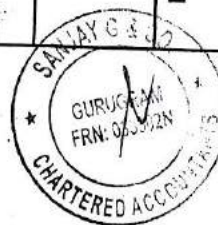
NOTES 1 TO 21 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND STATEMENT OF PROFIT & LOSS ACCOUNT

	31 March 2023 (Rs)	31 March 2022 (Rs)
<b>6 TRADE PAYABLES</b>		
Due to Micro & Small Enterprises	-	-
Other Trade Payables - > 1 year	-	-
- Others	8,872,240	-
	<u>8,872,240</u>	<u>-</u>
<b>7 OTHER CURRENT LIABILITIES</b>		
CGST Payable	-	302
Expenses Payable	25,000	35,879
Temporary Receipt From Director	118,000	-
IGST Payable	-	13,070
SGST Payable	-	302
	<u>143,000</u>	<u>49,553</u>
<b>8 SHORT TERM PROVISIONS</b>		
For Income Tax	390	-
	<u>390</u>	<u>-</u>
<b>10 OTHER NON CURRENT ASSETS</b>		
Security Deposit With Shree Cement Limited	209,000	209,000
	<u>209,000</u>	<u>209,000</u>
<b>11 INVENTORIES</b>		
Trading Goods (as certified by a Director)	319,962	319,962
Project-in-Progress - Terra Elegance	10,652,407	38,135
	<u>10,972,369</u>	<u>358,097</u>
<b>12 TRADE RECEIVABLES</b>		
(Unsecured, considered good)		
Outstanding for more than six months	7,272	-
Others	121,525	129,797
	<u>128,797</u>	<u>129,797</u>
<b>13 CASH AND BANK BALANCES</b>		
(i) Balances with Banks		
- in current accounts	395,963	26,131
(ii) Cash In Hand (As certified by a Director)	40,499	41,311
	<u>436,462</u>	<u>67,442</u>
<b>14 OTHER CURRENT ASSETS</b>		
Advance Against Purchase of Land	-	1,000,000
GST Recoverable	19,062	-
Sundry Advances	1,770	-
Income Tax Refundable for AY 2022-23	-	5,428
Prepaid Expenses	4,549	-
	<u>25,381</u>	<u>1,005,428</u>

Note 9

Fixed Assets

Particulars	Rate	GROSS BLOCK			DEPRECIATION			NET BLOCK		DATE OF ADDN./ DISPOSAL
		As at 01.04.2022	Additions during the Year	Disposals during the Year	As at 31.03.2023	As at 01.04.2022	Provided for the Year	Disposals during the Year	As at 31.03.2023	As at 31.03.2022
<b>Tangible Assets</b>										
CCTV	25.89%	34,046	-	-	34,046	16,551	4,529	-	12,966	17,495
Furniture & Fixture	25.89%	25,423	-	-	25,423	13,258	3,150	-	9,015	12,165
Furniture & Fixture	25.89%	-	100,000	-	100,000	-	1,348	-	98,652	-
<b>Total</b>		59,469	100,000	-	159,469	29,809	9,027	-	120,633	29,660
<b>Previous Year</b>		59,469	-	-	59,469	19,447	10,362	-	29,660	-
										13.03.23
<b>Intangible Assets</b>										
<b>Total</b>		-	-	-	-	-	-	-	-	-





# TERRA INFRACON PRIVATE LIMITED

NOTES 1 TO 21 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND STATEMENT OF PROFIT & LOSS ACCOUNT

	31 March 2023 (Rs)	31 March 2022 (Rs)
<b>15 SALES</b>		
Sales - Trading Goods	-	2,807,265
	-	<u>2,807,265</u>
<b>16 OTHER INCOME</b>		
Commission Received	113,440	22,832
Incentives & Rewards Received	-	298,014
Interest Earned - on Income Tax Refund	212	2,357
- Others	13,063	23,040
	<u>126,715</u>	<u>346,243</u>
<b>17 VARIATION IN INVENTORY</b>		
Closing Stock of Trading Goods	319,962	319,962
Less: Opening Stock of Trading Goods	319,962	2,409,093
	-	<u>(2,089,131)</u>
<b>18 DIRECT EXPENSES</b>		
Loading & Unloading Expenses	-	36,468
Rate Difference Charges	-	21,282
	-	<u>57,750</u>
<b>19 EMPLOYEES' REMUNERATION &amp; WELFARE EXPENSES</b>		
Salaries - Directors	-	-
Salaries - Others	-	475,000
Staff Welfare Expenses	-	16,450
	-	<u>491,450</u>
<b>20 ADMINISTRATION EXPENSES &amp; OTHER EXPENSES</b>		
Auditors' Remuneration	18,500	19,000
Bank Charges	3,540	7,476
Books & Periodicals	-	1,350
Electricity Expenses	1,514	17,096
Filing Fees	1,845	5,690
Interest on GST	6	-
Penalty on Late Filing of GST Returns	50	-
Legal & Professional Charges	34,655	9,655
Miscellaneous Expenses	-	952
Office Expenses	-	900
Printing & Stationery	-	1,380
Short & Excess	303	11
Telephone Expenses	581	2,788
Trademark Charges	27,000	-
Travelling & Conveyance Expenses	-	4,880
	<u>87,994</u>	<u>71,178</u>

# TERRA INFRACON PRIVATE LIMITED

## NOTE '21' – STATEMENT ON ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

### I) SIGNIFICANT ACCOUNTING POLICIES (ICDS I)

#### 1. Going Concern Concept

The accounts of the Company have been prepared on the concept of a "going concern" and on "accrual basis" except that claims/refunds, which have not been ascertainable on the date of this Report, will be accounted for as and when settled.

#### 2. Basis of Preparation of Financial Statements

Unless stated otherwise, the financial statements have been prepared in accordance with the generally accepted accounting principles in India under the Historical Cost Convention on "accrual basis" in accordance with Schedule III and Accounting Standards prescribed in Section 133 of the Companies Act, 2013 ("the Act") read with the Rule 7 of the Companies (Accounts) Rules, 2014 as amended from time to time and the provisions of the Act to the extent notified.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle as per the guidance set out in Schedule III to the Act.

#### 3. Use of Estimates

The preparation and presentation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates is recognized in the period in which the results are known/ materialized.

#### 4. Valuation of Inventories (ICDS II)

- i. Inventories are valued at lower of cost or Net Realizable Value (NRV). The comparison of cost and NRV is made on an item-by-item basis.
- ii. Cost of inventories has been determined by using First-in-First-out cost formula and comprises all costs of purchase, other direct costs, duties and taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.





- iii. NRV is the estimated selling price in the ordinary course of business less any estimated cost necessary to make the sale.

#### **5. Construction Contracts (ICDS III)**

The Company did not execute any construction contract during the previous year.

#### **6. Revenue Recognition (ICDS IV)**

Revenue is measured at the fair value of the consideration received or receivable, taking into account the contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Assessee Company and the revenue can be reliably measured, regardless of when the payment is being made. Amounts disclosed are net of discounts, rebates, GST and amount collected on behalf of third parties.

The Company has been formed primarily to undertake the business of sale of land, development and sale built-up property and other forms of real estate as well as trade in building material and other goods. However, during the year under review, the Company did not undertake any trading activity but has started the process of developing built-up property. During the year under review, the Company's revenue comprised of miscellaneous income. The same has been recognized upon its becoming due and legally binding. Revenue from sale of built-up property will be recognized upon receipt of Completion /Occupation Certificate from the designated authority. Revenue from sale of good is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods and is measured at fair value of consideration received/receivable, net of returns and discounts, volume rebates and cash discounts.

#### **7. Fixed Assets (ICDS V)**

- i. Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost includes all expenses incurred to bring the assets to its present location and condition. Assets acquired on hire purchase are capitalized at gross value and interest thereon is charged to revenue.
- ii. Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization. The Company did not acquire/hold any intangible fixed asset during the year under review.





- iii. Depreciation has been provided on the basis of useful lives of the assets assigned to each asset in accordance with Schedule II of the Act on Written-down value method.
- iv. Leasehold improvements are depreciated over the leasehold period or life of the asset, whichever is lesser.

#### **8. The Effects of changes in Foreign Exchange Rates (ICDS VI)**

The Company did not enter into any transaction involving foreign exchange during the previous year.

#### **9. Government Grants (ICDS VII)**

The Company did not receive any grant from the Government or Government Agency during the previous year.

#### **10. Investments (ICDS VIII)**

Long-term investments are carried at cost less provision for other than temporary diminution in the carrying value of each investment. Current investments are stated at lower of cost or quoted/ fair value computed category wise.

The Company did not acquire/own/hold any investments at any time during the year under review.

#### **11. Leases**

Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the Lessor, are recognized as operating leases. Lease rentals under operating leases are recognized in the Profit and Loss account on straight-line basis over the lease term.

Finance lease transactions are considered as financing arrangements in accordance with Accounting Standard 19 and the leased asset is capitalised at an amount equal to the present value of future lease payments and a corresponding amount is recognised as a liability. The lease payments made are apportioned between finance charge and reduction of outstanding liability in relation to the leased asset.

#### **12. Taxes on Income**

- i. Current tax is determined as the amount of tax payable in respect of taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.



- ii. Deferred tax is recognised subject to the consideration of prudence in respect of deferred tax assets on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

### **13. Borrowing Costs (ICDS IX)**

The Company did not incur any borrowing cost during the previous year.

### **14. Retirement Benefits**

- i. Liability for Gratuity has not been accounted for as the provisions of Payment of Gratuity Act are not applicable to the Company.

### **15. Provisions and Contingencies (ICDS X)**

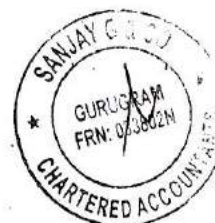
The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. The Company has provided liability for only those expenses where there is present obligation as a result of a past event. The provisions made during the year represented expenses on services already availed off by the Company and that have been quantified with absolute reliability.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

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. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognized in the period in which the change occurs.

### **16. Business Segments**

The provisions of Accounting Standard AS-17 on Segment Reporting issued by the Institute of Chartered Accountants of India are not applicable to the Company as the turnover of the Company during the year under review was less than Rs. 50 crores.





## II) NOTES ON ACCOUNTS

1. The Company is engaged in the business of trading / developing land and landed property as well as trading in building material and other goods.
2. The Company has not received any information from any of its suppliers of their being Small Scale Industrial units. Hence, the amounts due to Small Scale Industrial Units outstanding as on 31<sup>st</sup> March, 2023 are not ascertainable.

### 3. Related Party Disclosures:

Related Party disclosures as required under Accounting Standard AS-18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below:

- a) **Joint Venture & Associates** : M. V. Buildcon Private Limited
- b) **Key Management Personnel:**
  - i) Mr. Dishant Sanduja, Director
  - ii) Mrs. Gayatri Devi, Director
- c) **Relatives of Key Management Personnel** : Mr. Ajay Kumar  
Mrs. Deepa Rani

### d) Disclosures of transactions between the Company and related parties and the status of Outstanding Balance as on 31.03.2023:

Sl.No	Name of Party	Transaction		Balance as on 31.03.2023
		Dr.	Cr.	
1	Unsecured Loans from Directors	Nil	1,100,000	3,275,000 (Cr.)
2	Unsecured Loans from Relatives	Nil	Nil	770,000 (Cr.)
3	Agst Purchase of Material fm. an Associate	Nil	9,872,240	8,872,240 (Cr.)
4	Temporary Transaction with Director (Against Expenses)	Nil	118,000	118,000 (Cr.)

### 4. Earnings per share (EPS)

The earnings considered in ascertaining EPS comprise the net profit after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

	31.03.2023	31.03.2022
Net Profit/(Loss) after Tax	26,792	(1,404,794)
Weighted Ave. No. of Shares	100,000	100,000
EPS	0.27	(14.05)





5. Expenditure in Foreign Currency : NIL (P.Y. NIL)
6. Earnings in Foreign Currency : NIL (P.Y. NIL)
7. Auditor's Remuneration include:  
(including service tax, as applicable)
- |                                |        |        |
|--------------------------------|--------|--------|
| i) Fees as Auditor             | 11,000 | 10,000 |
| ii) In other capacity          | 2,000  | 4,000  |
| iii) Reimbursement of expenses | 5,500  | 5,000  |
8. Sundry Creditors, Sundry Debtors and Advances (Security Deposits) are subject to confirmation and reconciliation.
9. Inventory has been valued as certified by a Director.
10. Cash in hand as on 31.03.2023 has been considered as certified by a Director.
11. GST balances and liability are subject to final reconciliation at the time of filing of Annual Return under the relevant Act.
12. Figures for the previous year have been re-grouped / re-arranged / recast wherever necessary to conform to current year's classification.

**SIGNATURE FOR NOTES 1 TO 21**

As per our Report annexed  
For SANJAY G & CO  
Chartered Accountants  
(FRN: 033802N)

  
CA. Sanjay Gupta  
Proprietor

Membership No.054715  
UDIN: 23054715BGX0004603

  
Dishant Sanduja  
Director  
DIN: 06430900

  
Gayatri Devi  
Director  
DIN: 00093653

Gurugram  
07.09.2023