

M. A. PARIKH & CO.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Partners of Man Vastucon LLP
Report on the Audit of the Financial Statements

Preamble

Man Vastucon LLP ("the Enterprise") is a limited liability partnership incorporated under the Limited Liability Partnership Act, 2008. The Enterprise is a subsidiary of Man Infraconstruction Limited, a company listed on a recognised stock exchange. The financial statements are subject to audit under the Limited Liability Partnership Act, 2008 and the Income-tax Act, 1961. In these Acts there are no specific formats for the financial statements. Therefore, the Enterprise, being a subsidiary of a listed company, has decided to follow the provisions of the Companies Act, 2013 in the preparation and presentation of the accompanying financial statements.

Opinion

We have audited the accompanying financial statements of **Man Vastucon LLP**, which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Accounting Standards (AS) specified under Section 133 of the Act, of the state of the affairs of the Enterprise as at March 31, 2021, and its loss, and its cash flows for the year ended on that date.

Basis for Opinion.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Enterprise 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for Financial Statements

The partners of the Enterprise are 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 financial position, financial performance including cash flows of the Enterprise in accordance with the accounting principles generally accepted in India, including the AS 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 Enterprise 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, partners of the Enterprise are responsible for assessing the Enterprise'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 Enterprise or to cease operations, or has no realistic alternative but to do so.

Those partners are also responsible for overseeing the Enterprise's financial reporting process.

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

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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, but not for the purpose of expressing an opinion on the effectiveness of the Enterprise's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Enterprise's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Enterprise to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in



(i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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


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

Other Compliance

Having regard to the requirements stipulated by section 143(3) of the Act, we report that:

- (i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the Enterprise so far as appears from our examination of those books;
- (iii) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (iv) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act;
- (v) As per the Information and explanations given to us by the Management of the Enterprise, there are no pending litigations and accordingly, there is no requirement to disclose the impact thereof; and
- (vi) The Enterprise in respect of its long-term contracts does not anticipate any material foreseeable losses and hence, the question of making any provision there against does not arise.

For M. A. Parikh & Co.
Chartered Accountants
Firm's Registration No. 107556W



Partner
Name: Dhaval B. Selwadia
Membership No. 100023
UDIN: 21100023AAAADO3802



Place: Mumbai
Date: 14.05.2021

Man Vastucon LLP
Balance Sheet as at March 31, 2021
All amounts are in INR otherwise stated

Particulars		Note No.	As at March 31, 2021	As at March 31, 2020
I. Partners capital & liabilities				
(1) Partners capital				
(a) Partners capital account	2.01		5,00,00,000	5,00,00,000
(b) Partners current account	2.02		(14,82,72,729)	(14,82,72,729)
(c) Reserves and surplus	2.03		(60,13,04,291)	(46,88,93,595)
			(69,95,77,020)	(56,71,66,324)
(2) Non-current liabilities				
(a) Long-term borrowings	2.04		4,22,13,53,653	4,36,28,53,743
(b) Long-term liabilities	2.05		63,79,148	63,73,843
(c) Long term provisions	2.06		53,98,914	45,42,427
			4,23,31,31,715	4,37,37,70,013
(3) Current liabilities				
(a) Short-term borrowings	2.07		2,30,07,07,983	1,97,70,72,603
(b) Trade payables	2.08		-	-
- Total outstanding dues of micro & small enterprises			-	-
- Total outstanding dues of creditors other than micro & small enterprises			13,99,22,117	9,89,15,925
(c) Other current liabilities	2.09		1,43,86,75,583	1,33,56,50,157
(d) Short-term provisions	2.06		5,76,06,234	8,09,82,332
			3,93,69,11,917	3,49,26,21,017
Total Partners capital & liabilities			7,47,04,66,612	7,29,92,24,706
II. Assets				
(1) Non-current assets				
(a) Property, plant and equipment	2.10		44,82,768	63,96,441
(b) Deferred tax assets (net)	2.11		29,69,87,494	32,01,13,665
(c) Long term loans and advances	2.12		2,00,20,80,516	2,71,98,08,254
			2,30,35,50,778	3,04,63,18,360
(2) Current assets				
(a) Investments	2.13		6,02,64,806	-
(b) Inventories	2.14		3,58,41,07,253	2,86,94,83,165
(c) Trade receivables	2.15		24,20,20,381	29,02,59,152
(d) Cash and bank balances	2.16		11,66,08,926	60,60,12,226
(e) Short-term loans and advances	2.12		1,15,88,04,327	48,27,73,364
(f) Other current assets	2.17		51,10,141	43,78,439
			5,16,69,15,834	4,25,29,06,346
Total Assets			7,47,04,66,612	7,29,92,24,706

See accompanying notes forming part of financial statements. 1 to 2.31

In terms of our report of even date attached.

For M. A. Parikh & Co.

Chartered Accountants

Firm Registration No. 0107556W

For Man Vastucon LLP



Dhaval Selwadia

Partner

Membership No.100023





Suketu P. Shah

Designated Partner

DIN No : 00063793



Manan P. Shah

Designated Partner

DIN No : 06500239

Date : 14th May, 2021

Date : 14th May, 2021

Man Vastucon LLP
Statement of Profit and Loss for the year ended March 31, 2021
All amounts are in INR otherwise stated

Particulars		Note No	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
1	Revenue from operations	2.18	1,20,96,42,165	2,23,45,28,922
2	Other income	2.19	2,17,68,373	3,27,64,918
	Total revenue		1,23,14,10,538	2,26,72,93,840
3	Expenses			
	Project expenses	2.20	1,90,03,55,001	1,96,18,30,025
	Changes in inventories of project work in progress	2.21	(71,46,92,764)	90,55,19,241
	Employee benefit expense	2.22	3,15,75,308	3,48,34,186
	Finance costs	2.23	5,84,86,139	78,91,555
	Depreciation		13,21,614	19,21,912
	Other expenses	2.24	6,36,49,765	14,22,58,538
	Total expenses		1,34,06,95,063	3,05,42,55,457
4	Loss before tax		(10,92,84,525)	(78,69,61,617)
5	Tax expense:			
	- Current tax		-	957
	- Deferred tax		2,31,26,171	(31,80,68,979)
6	Loss after tax		(13,24,10,696)	(46,88,93,595)

See accompanying notes forming part of financial statements. 1 to 2.31

In terms of our report of even date attached.

For M. A. Parikh & Co.

Chartered Accountants

Firm Registration No. 0107556W



Dhaval Selwadia

Partner

Membership No.100023





Suketu P. Shah

Designated Partner

DIN No : 00063793

For Man Vastucon LLP



Manan P. Shah

Designated Partner

DIN No : 06500239

Date : 14th May, 2021

Date : 14th May, 2021

Man Vastucon LLP
Cash flow statement for the year ended March 31, 2021
All amounts are in INR otherwise stated

Particulars		For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
A. Cash flow from operating activities :			
Net loss after exceptional items and before tax		(10,92,84,525)	(78,69,61,617)
Adjustments :			
Gains on sale of units of mutual funds		(2,94,070)	(88,06,347)
Interest income		(2,14,64,063)	(2,36,91,654)
Balances written back		(10,240)	(2,66,904)
Depreciation and amortization expense		21,51,173	31,52,638
Finance cost		5,84,86,139	78,91,555
Operating profit / (loss) before working capital changes		(7,04,15,586)	(80,86,82,329)
Adjustments for :			
(Increase) / decrease in inventories	19,16,79,387		2,08,40,33,383
(Increase) / decrease in loans and advances	5,59,38,279		19,74,64,035
(Increase) / Decrease in Other Current Assets	66,968		-
(Increase) / decrease in trade receivables	4,82,38,771		54,69,79,354
Increase / (decrease) in trade payables and other liabilities	(22,10,15,142)	7,49,08,263	(82,21,89,056)
Cash generated from / (used in) operations		44,92,677	1,19,76,05,387
Less : Taxes paid / (refund)		(1,42,41,509)	(2,14,87,276)
Net cash flow (used in) / from operating activities - (A)		(97,48,831)	1,17,61,18,111
B. Cash flow from investing activities :			
Purchase of fixed assets including capital advances	(2,37,500)		(5,87,935)
Purchase of current investments	(20,99,89,500)		(77,25,00,000)
Sale of current investments	15,00,18,763		80,13,06,347
Fixed deposits placed with banks	27,55,70,339		(23,27,74,842)
Interest received	2,06,65,393		2,14,16,710
Net cash flow from / (used in) investing activities - (B)		23,60,27,495	(18,31,39,720)
C. Cash flow from financing activities :			
Unsecured loans taken from partners	3,16,00,000		16,25,00,000
Unsecured loans repaid to partners	(43,51,00,000)		(50,25,00,000)
Unsecured loans taken from others	44,76,00,000		25,00,000
Unsecured loans repaid to others	(4,14,17,941)		(15,25,00,000)
Secured loans taken from finance companies	-		80,00,00,000
Secured loans repaid to finance companies	-		(1,19,00,00,000)
Secured loans taken from bank	31,34,16,519		89,00,00,000
Secured loans repaid to bank	(30,51,73,046)		(27,71,46,258)
Finance cost paid	(45,10,37,157)		(53,21,46,255)
Net cash flow (used in) / realised from financing activities - (C)		(44,01,11,625)	(79,92,92,513)
Net increase / (decrease) in cash and cash equivalents (A+B+C)		(21,38,32,962)	19,36,85,877
Cash and cash equivalents (Opening balance)		29,32,69,790	9,95,83,913
(Decrease) / increase as above		(21,38,32,962)	19,36,85,877
Cash and cash equivalents (closing balance)		7,94,36,828	29,32,69,790
Components of closing cash and cash equivalents		As at March 31, 2021	As at March 31, 2020
Cash on hand		2,59,675	2,74,931
Balance in current accounts with scheduled banks		7,91,77,153	14,90,94,859
Balance in sweep account		-	14,39,00,000
Total Cash and cash equivalents		7,94,36,828	29,32,69,790
Cash and cash equivalents as above		7,94,36,828	29,32,69,790
Add : Deposits with original maturity for less than 12 months		6,36,54,251	33,92,24,590
Cash and bank balance (Refer Note No. 2.16)		14,30,91,079	63,24,94,380

In terms of our report of even date attached.

For M. A. Parikh & Co.

Chartered Accountants

Firm Registration No. 0107556W

Dhaval Selwadia

Partner

Membership No.100023



For Man Vastucon LLP

Suket P. Shah

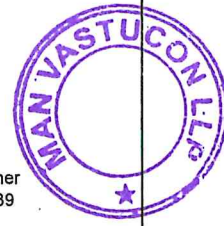
Designated Partner

DIN No :00063793

Manan P. Shah

Designated Partner

DIN No :06500239



Date : 14th May, 2021

Date : 14th May, 2021

1 Corporate information and statement of significant accounting policies:

A Corporate information:

Man Vastucon LLP (the Enterprise) is a limited liability partnership incorporated on 15th December 2014. The Enterprise is a subsidiary of Man Infraconstruction Limited, accompany listed on a recognised stock exchange. The Enterprise is engaged in the business of real estate development. The Enterprise is constructing real estate project namely The Aradhya High Park at survey no. 92 of village Mahajanwadi, Mira, District Thane.

B Statement of significant accounting policies

i Basis of preparation of Financial Statements:

The financial statements have been prepared in accordance with the generally accepted accounting principles in India ("GAAP") under the historical cost convention on an accrual basis, to comply in all material aspects with the applicable mandatory accounting standards and the relevant provisions of the Companies Act, 2013.

All the assets and liabilities have been classified as current or non-current as per the Enterprise's normal operating cycle and other criteria's set out in Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Enterprise has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

ii Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standard.

iii Inventories:

Project work-in-progress is valued at lower of cost or net realizable value. Direct expenses and construction overheads are taken as the cost of the project. The project costs comprise of:

- (a) *Cost of development rights* – includes cost of development rights in land, registration charges, stamp duty and other incidental expenses.
- (b) *Borrowing costs* – in accordance with the Accounting Standard – 16, "Borrowing Costs" which are incurred in relation to the Project are considered as part of the cost of the project.
- (c) *Construction and development cost* – includes cost that relates directly to the project and costs that can be attributed to the project activities in general.

Construction materials are valued at cost

iv Revenue from operations:

Sale of flat

Revenue from sale of flats has been recognised on percentage completion method (which comprises of land cost in proportion to percentage of completion of construction) provided the following thresholds are met:

- (a) All critical approvals necessary for the commencement have been obtained;
- (b) The expenditure incurred on construction and development cost is not less than 25 per cent 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 allotment / agreement value is realised 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.

Other Operating Income:

Other operating income is accounted for on accrual basis.

Other Income

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

v Borrowing costs:

Borrowing costs which have a direct nexus with the project, being a qualifying asset, are allocated to the cost of the project. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Other borrowing costs are expensed out as period cost.



vi **Property, plant and equipment:**

Property, plant and equipment (PPE) are carried at cost less accumulated depreciation and impairment losses, if any. The cost of PPE includes other incidental expenses incurred there against to bring the asset at its present location and condition.

Depreciation

Depreciation is provided for on the "written down value method" based on the useful lives of the PPE prescribed in Schedule II to the Companies Act, 2013, except for computer server, which, based, on its estimated useful life, is depreciated in three years.

vii **Investments:**

Current investments are carried at lower of their cost or fair value.

viii **Impairment of assets:**

An asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Assets, when at balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which it belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use.) An impairment loss is charged off to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of its recoverable amount.

ix **Employee benefits:**

Short term employee benefits:

Employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.

Post employment benefits:

Contributions to the provident fund, which is a defined contribution scheme, is recognized as an expense in the Statement of Profit and Loss in the period in which the contribution is due. The Enterprise does not carry any further obligations, apart from the contributions made on a monthly basis.

Employee benefits under defined benefit plan is gratuity, which fall due for payment after a period of twelve months from rendering service or after completion of employment, is measured by the projected unit credit method, on the basis of actuarial valuations carried out by third party actuary at each balance sheet date. The Enterprise's obligations recognized in the Balance Sheet represents the present value of its obligations. Actuarial losses / gains are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

x **Taxes on income:**

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

The deferred tax charge or credit and the corresponding tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward losses under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

xi **Provision and contingent liabilities:**

Provisions are recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

xii **Cash flow statement:**

The Cash flow statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and present the cash flows by operating, investing and financing activities of the Enterprise.

xiii **General**

Accounting policies not specifically referred to above are in consonance with the generally accepted accounting principles.



Man Vastucon LLP**Notes forming part of the financial statements****All amounts are in INR otherwise stated****2 Notes to Accounts:****2.01 Partners capital account**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Share of profit / loss ratio	Balance	Share of profit / loss ratio	Balance
Man Infraconstruction Ltd.	99.99%	4,99,95,000	99.99%	4,99,95,000
Suketu P Shah	0.01%	5,000	0.01%	5,000
	100.00%	5,00,00,000	100.00%	5,00,00,000

2.02 Partners current account

Particulars	As at March 31, 2021		As at March 31, 2020	
	Share of profit / loss ratio	Balance	Share of profit / loss ratio	Balance
Man Infraconstruction Ltd.	99.99%	(14,82,60,111)	99.99%	(14,82,60,111)
Suketu P Shah	0.01%	(12,618)	0.01%	(12,618)
	100.00%	(14,82,72,729)	100.00%	(14,82,72,729)

2.03 Reserves and surplus

Particulars	As at March 31, 2021	As at March 31, 2020
Balance in statement of profit and loss		
Balance at the beginning of the year	(46,88,93,595)	-
Add: (Loss) for the year	(13,24,10,696)	(46,88,93,595)
	(60,13,04,291)	(46,88,93,595)

2.03.1 The losses, effective year ended March 31, 2020 are not adjusted to the partners current account but are carried forward as a deficit in the statement of profit and loss as the Enterprise expects the same to be recovered based on the overall project costs, units sold at profit, the expected profits from the unsold inventory and development of the balances phases. This judgement is reviewed at the end of the each financial year.



2.04 Long-term borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Secured :		
Term loan from finance company	2,74,00,00,000	2,74,00,00,000
Working capital term loans from bank	62,10,97,217	61,28,53,743
	3,36,10,97,217	3,35,28,53,743
Less: Current maturities of long-term debts	30,91,68,674	-
	3,05,19,28,543	3,35,28,53,743
(b) Unsecured :		
Loan from a partner	1,16,94,25,110	1,01,00,00,000
	4,22,13,53,653	4,36,28,53,743

Secured BorrowingsTerm loan from finance company

- 1 First mortgage / charge and assignment on all the rights, title, entitlements and receivables of the Enterprise under development agreement, excluding Phase - I and second pari-passu charge with the securities mentioned in sr. no. a & b as regards term loans from bank
- 2 First charge by way of hypothecation over interest, rights and partnership interest of Man Infraconstruction Limited (major partner) in the Enterprise
- 3 Corporate Guarantee of Man Infraconstruction Ltd.
- 4 Repayment is at end of the tenure of loan i.e. 10 years i.e. in the month of October 2027.

Working capital term loans from a bank

- 1 Charge and assignment on all the rights, title, entitlements and receivables of the Enterprise under development agreement
- 2 Registered first mortgage in favour of the lender on security of all rights, title, interest claims, benefits, demands under the project documents both present and future of Phase - I.
- 3 Corporate Guarantee of Man Infraconstruction Ltd.
- 4 Repayment of the principal amount in agreed monthly instalments commencing after the moratorium period subject to the right to repayment from the project receipts in agreed manner. The current maturities have been determined based on the expected inflows for the year ending 31st March, 2022.

Rate of Interest

Rate of interest for the loan ranges between 10% to 12%

Unsecured borrowingsTerms of repayment

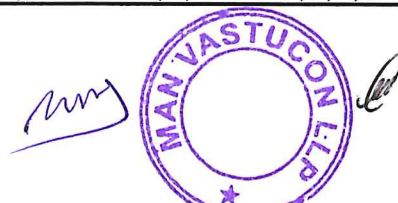
Repayable by 31st March, 2023, but the term can be extended if agreed upon.

2.05 Long term liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Security deposits	63,79,148	63,73,843
	63,79,148	63,73,843

2.06 Provisions

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
	Non Current (Long term)		Current (Short term)	
<u>Provision for employee benefits :</u>				
Provision for gratuity	53,98,914	45,42,427	5,49,704	30,435
Provision for bonus	-	-	22,87,005	27,45,635
Estimated land cost	-	-	5,47,69,525	7,82,06,262
	53,98,914	45,42,427	5,76,06,234	8,09,82,332



2.07 Short-term borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured (*)		
From partner	1,86,56,07,983	1,95,17,39,726
From related parties	43,51,00,000	2,53,32,877
	2,30,07,07,983	1,97,70,72,603

(*) Above loans are interest bearing and repayable on demand

2.08 Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro & small enterprises	-	-
Total outstanding dues of creditors other than micro & small enterprises	13,99,22,117	9,89,15,925
	13,99,22,117	9,89,15,925

2.09 Other current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Interest accrued but not due	52,48,18,049	49,14,44,027
Current maturities of long-term debts	30,91,68,674	-
Salary and employee benefits payable	33,90,811	-
Statutory dues	1,13,30,411	1,22,07,494
Sale consideration, pending recognition	58,53,16,883	81,95,02,321
Advances from customers	43,58,831	1,21,98,671
Other payables	2,91,924	2,97,644
	1,43,86,75,583	1,33,56,50,157



2.10 Property, plant and equipment

Particulars	Gross Block			Accumulated depreciation			Net Block	
	As at April 1, 2020	Additions during the year	Deductions during the year	As at March 31, 2021	As at April 1, 2020	Provided for the year	As at March 31, 2021	As at March 31, 2020
Tangible assets								
Plant and equipment's	24,84,124	2,00,000	-	26,84,124	13,94,094	4,95,854	18,89,948	10,90,030
Furniture & fixtures	24,63,408	-	-	24,63,408	18,50,349	1,34,866	19,85,215	6,13,059
Computers	9,07,833	37,500	-	9,45,333	7,06,749	1,17,320	8,24,069	2,01,084
Vehicles	72,27,583	-	-	72,27,583	27,35,315	14,03,133	41,38,448	44,92,268
Total	1,30,82,948	2,37,500	-	1,33,20,448	66,86,507	21,51,173	88,37,680	63,96,441
Previous year	1,24,95,013	5,87,935	-	1,30,82,948	35,33,869	31,52,638	66,86,507	-



2.11 Deferred tax asset/liability (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax asset		
Disallowances under the Income Tax Act, 1961		
<u>Provision for employee benefits</u>		
Provision for bonus	7,99,171	9,59,435
Provision for gratuity	20,78,685	15,97,941
Unused losses	29,27,44,615	31,64,14,540
Difference between book balance and tax balance of fixed assets	13,65,023	11,41,749
Gross deferred tax asset	29,69,87,494	32,01,13,665
Deferred tax liability	-	-
Gross deferred tax liability	-	-
Deferred tax asset (Net)	29,69,87,494	32,01,13,665

2.12 Loans and advances

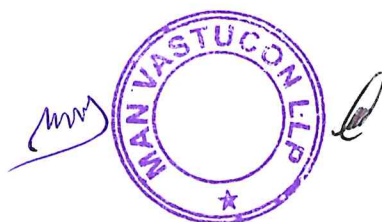
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
			Non - current (long term)	Current (short term)
<u>Unsecured, considered good :</u>				
Deposits				
Security deposits	1,93,10,47,343	2,66,29,48,254	56,77,29,957	8,42,49,000
Fixed deposits with original maturity of more than 12 months	2,64,82,154	2,64,82,154	19,91,29,897	10,32,76,895
Other loans and advances				
Trade advances	-	-	16,15,00,775	27,40,327
Taxes paid	4,45,51,019	3,03,09,515	-	-
Prepaid expenses	-	68,331	5,01,217	5,23,288
Other receivables	-	-	17,09,11,620	27,66,89,833
Loan granted	-	-	46,25,961	9,00,000
Balances with government authorities	-	-	5,44,04,900	1,43,94,021
	2,00,20,80,516	2,71,98,08,254	1,15,88,04,327	48,27,73,364

2.13 Investments

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Quoted		
Investments in mutual funds		
546012.87 (Previous Year Nil) Units of HDFC Liquid Fund - Direct Plan - Growth Option	6,02,64,806	-
	6,02,64,806	-
Market value of investment	6,05,97,328	-

2.14 Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
Construction materials at site.	4,54,172	5,22,848
Project work in progress (valued at lower of cost or net realisable value)	3,58,36,53,081	2,86,89,60,317
	3,58,41,07,253	2,86,94,83,165



2.15 Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables		
Unsecured, considered good	24,20,20,381	29,02,59,152
	24,20,20,381	29,02,59,152

2.16 Cash and bank balances

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on hand	2,59,675	2,74,931
Balances with banks		
- In current accounts	7,91,77,153	14,90,94,859
- In sweep account	-	14,39,00,000
Other bank balance		
- Deposits with original maturity of less than 3 months	-	1,00,00,000
- Deposits with original maturity for more than 3 months but less than 12 months (*)	3,71,72,097	30,27,42,436
	11,66,08,926	60,60,12,226

(*) These fixed deposits are kept with bank as per terms and conditions of term loans obtained from a finance company to cover six months interest payable on said term loan.

2.17 Other assets

Particulars	As at March 31, 2021	As at March 31, 2020
Accrued interest		
- On fixed deposit with bank / auto sweep	51,10,141	43,11,471
- On security deposit	-	66,968
	51,10,141	43,78,439

2.18 Revenue from operations

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of flats	1,20,89,17,009	2,22,13,39,046
Other operating income		
Sale of material	-	7,67,762
Cancellation charges received from customer	7,25,156	1,24,22,114
	7,25,156	1,31,89,876
	1,20,96,42,165	2,23,45,28,922

2.19 Other income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income		
Interest on fixed deposits with bank	2,11,89,445	2,34,80,792
Interest others	2,07,551	1,49,749
Interest on income tax refund	67,067	61,113
Balances written back	10,240	2,66,904
Gains on sale of units of mutual funds	2,94,070	88,06,347
Miscellaneous income	-	13
	2,17,68,373	3,27,64,918



2.20 Project expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Land costs		
Purchase of development rights	22,49,89,469	33,46,54,291
Construction overheads:		
- Salaries, allowances and bonus	1,03,26,575	1,39,14,754
- Contribution to provident funds	2,33,850	3,33,259
- Gratuity	5,79,026	5,27,569
- Staff welfare and other amenities	59,791	3,32,132
- Cost of material consumed	68,67,954	10,75,29,209
- Sub - contract / labour charges	71,39,02,323	49,62,71,346
- Other construction overheads	3,62,62,979	10,04,74,972
Depreciation	8,29,559	12,30,726
Finance costs	90,63,03,475	90,65,61,767
	1,90,03,55,001	1,96,18,30,025

2.21 Changes in inventories of project work in progress

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance as of commencement of the year:		
- Project work-in-progress	2,86,89,60,317	4,04,52,87,986
Less : MBMC Refund Receivable Transferred to Other Receivable	-	27,08,08,428
	2,86,89,60,317	3,77,44,79,558
Less:		
Balance as of end of the year		
-Project work-in-progress	3,58,36,53,081	2,86,89,60,317
	(71,46,92,764)	90,55,19,241

2.22 Employee benefit expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	2,98,42,902	3,28,80,601
Gratuity	13,73,606	16,03,391
Contribution to provident and other funds	3,58,800	3,41,250
Workmen and staff welfare expenses	-	8,944
	3,15,75,308	3,48,34,186

2.23 Finance costs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on :		
- Partners capital	72,65,988	64,12,881
- Long term borrowings	38,66,38,739	41,33,63,513
- Short term borrowings	51,13,68,148	45,41,50,793
- Delayed payment of taxes	91,689	57,326
	90,53,64,564	87,39,84,513
Other financial charges	10,30,600	3,23,30,600
Discount to customer	-	3,03,980
Rebate on subvention	5,83,49,816	75,47,597
Bank charges	44,634	2,86,632
	96,47,89,614	91,44,53,322
Less :		
Transferred to project expenses	90,63,03,475	90,65,61,767
	5,84,86,139	78,91,555



2.24 Other expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Administrative & general expenses		
Printing & stationery	4,056	57,885
Postage & telephone expenses	40	36,160
Office expenses	12,422	1,08,343
Rates, taxes & duties	2,36,02,321	3,33,14,996
Travelling & conveyance expenses	5,52,136	7,90,362
Insurance charges	1,48,153	32,677
Legal & professional fees	6,19,786	7,80,022
Computer and software expenses	-	250
Donation	10,00,000	5,25,000
Balance written off	3,15,341	659
Miscellaneous expenses	12,276	6,710
Auditors remuneration (excluding service tax / GST)		
- Statutory audit	1,50,000	1,00,000
- Tax audit	50,000	50,000
- Other services	1,13,335	2,03,167
- Other certification charges	42,000	10,000
- Out of pocket expenses	3,500	6,500
Advertising and sales promotion		
Advertisement and publicity	12,69,647	2,37,65,708
Sales promotion expenses	-	94,975
Brokerage expenses	3,57,54,752	8,23,75,124
	6,36,49,765	14,22,58,538

2.25 In the opinion of the management, loans and advances and other assets have a realisable value in the ordinary course of business, not less than the amount at which they are stated in the balance sheet and provision for all known liabilities has been made.

2.26 Based on the information available with the Enterprise, there are no dues outstanding in respect of Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 and accordingly no additional disclosures have been made.

2.27 Employee benefits:

As per Accounting Standard-15 "Employee Benefits", the disclosure of employee benefits as defined in the Accounting Standard is given below:

Defined contribution plan

During the year the Enterprise has recognized the following amounts in the Statement of Profit and Loss.

	For the year ended March 31, 2021	For the year ended March 31, 2020
Employer's contribution to provident fund	5,92,650	6,74,509

Defined benefit plan:

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

Particulars	Gratuity (un-funded)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
I Reconciliation of opening and closing balances of obligation		
Obligation as at beginning of the year	45,72,862	26,59,165
Obligation as at beginning of the year - other group companies	3,12,358	2,77,447
Current service cost	13,93,187	10,33,403
Interest cost	3,12,581	2,17,754
Actuarial (gain) / loss	19,055	9,14,714
Benefits paid	(5,76,876)	(2,17,263)
Net obligation of other group companies	(84,549)	(3,12,358)
Obligation as at end of the year	59,48,618	45,72,862



II Expenses recognised during the year		
Current service cost	13,93,187	10,33,403
Actuarial (gain)/loss	19,055	9,14,714
Net Obligation of other group companies	5,40,390	1,82,843
Expense recognised during the year Included in 'employee benefit expense	19,52,632	21,30,960
III Actuarial assumptions		
Discount rate (per annum)	6.90%	6.80%
Annual increase in salary	5.00%	5.00%
Attrition rate	5.00%	5.00%
Mortality	Indian assured lives mortality (2012-2014)	Indian assured lives mortality (2012-2014)

Notes:

- (a) The above disclosures includes impact of past services of the employees with group concerns, the liability for which is not transferred
- (b) The obligation towards gratuity is unfunded and therefore, the following disclosures are not given:
- Reconciliation of opening and closing balances of fair value of plan assets.
 - Details of investments.

2.28 The Enterprise operations predominantly consist of real estate activities. Hence there are no reportable business segment under Accounting Standard-17. During the year under report, the Enterprise has engaged in its business only within India and not in any other country. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

2.29 Disclosure required pursuant to Accounting Standard - 18 "Related Party Disclosures" prescribed by the Companies (Accounting Standards) Rules, 2006 is as under:

I Names of related parties and related party relationship-where control exists :

(a) Partners	Man Infraconstruction Limited Suketu P. Shah
(b) Persons having significant influence - designated partners	Manan P. Shah
(c) Relative of persons having significant influence	Mansi P. Shah
(d) Company in which designated partner is able to exercise significant influence	Atmosphere Realty Private Limited Starcrete LLP

Note :

The aforesaid related parties are as identified by the Enterprise and relied upon by the statutory auditors.

II Transactions with related parties and outstanding balances as on March 31, 2021

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Loan taken from	47,92,00,000	16,50,00,000
Man Infraconstruction Limited	3,16,00,000	16,25,00,000
Manan P Shah	-	25,00,000
Mansi P Shah	32,91,00,000	-
Parag K Shah	10,50,00,000	-
Parag K Shah HUF	1,35,00,000	-
Loan repaid	47,65,17,941	65,50,00,000
Man InfraConstruction Limited	43,51,00,000	50,25,00,000
Mansi P Shah	2,96,31,380	15,00,00,000
Manan P Shah	1,17,86,561	25,00,000
Interest expense	51,86,34,136	46,05,63,674
Man Infraconstruction Limited	49,37,13,547	44,69,08,435
Mansi P Shah	1,30,12,290	56,27,152
Manan P Shah	4,89,223	16,15,206
Parag K Shah	36,30,822	-
Parag K Shah HUF	5,22,266	-
Man Infraconstruction Limited-Fixed Capital Account	72,65,262	64,12,239
Suketu P. Shah-Fixed Capital Account	726	642
Professional fees	16,75,291	41,16,571
Man Infraconstruction Limited	16,75,291	41,16,571
Purchases	-	2,80,150
Starcrete LLP	-	2,80,150



Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sub-contract expenses	69,56,11,923	47,62,94,386
Man Infraconstruction Limited	69,56,11,923	47,62,94,386
Guarantees	2,00,00,00,000	2,00,00,00,000
Corporate guarantee issued by Man Infraconstruction Limited	2,00,00,00,000	2,00,00,00,000
Outstanding balances :		
Unsecured loans	3,47,01,33,093	2,98,70,72,603
Man Infraconstruction Limited	3,03,50,33,093	2,96,17,39,726
Mansi P Shah	31,66,00,000	1,50,00,000
Manan P Shah	-	1,03,32,877
Parag K Shah	10,50,00,000	-
Parag K Shah HUF	1,35,00,000	-
Trade payables	13,23,19,151	8,37,04,523
Man Infraconstruction Limited	13,23,19,151	8,37,04,523
Interest payable on loans	52,28,04,362	48,82,70,764
Man Infraconstruction Limited	49,37,13,547	47,67,93,367
Man Infraconstruction Limited - Partners Fixed Capital Account	1,51,56,805	78,91,543
Suketu P. Shah - Partners Fixed Capital Account	1,516	790
Mansi P. Shah	1,01,11,416	21,31,380
Manan P. Shah	-	14,53,684
Parag K Shah	33,58,510	-
Parag K Shah HUF	4,62,568	-
Trade Advance	16,01,14,688	-
Man Infraconstruction Limited	16,01,14,688	-
Guarantees & collaterals	4,74,00,00,000	4,74,00,00,000
Corporate Guarantee issued by Man Infraconstruction Limited	4,74,00,00,000	4,74,00,00,000

2.30 COVID-19

The Enterprise has assessed the possible effects that may result from the ongoing pandemic relating to COVID-19 on the carrying amounts of its assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Enterprise, as at the date of approval of these financial statements has used internal and external sources of information. Accordingly, has concluded that the impact of COVID - 19 is not material based on these estimates. However, due to the nature of the pandemic, the Enterprise will continue to monitor developments to identify significant uncertainties in future periods, if any.

- 2.31 The Enterprise on completing the threshold limit of construction work for Phase I, had recognised the revenue and the related project cost there against in the year ended 31st March, 2020 and accordingly the figures for the year ended 31st March, 2020 included proportionate share of sale consideration and related project cost for the year ended 31st March, 2019. Consequently, figures of current year relating to revenue from operations and project cost there against are strictly not comparable with the corresponding amounts of the preceding year. Previous year figures are regrouped and rearranged wherever necessary to make them comparable with those of the current year.

Signatures to Notes 1 to 2.31

As per our report of even date

For M. A. Parikh & Co.

Chartered Accountants

Firm Registration No. 0107556W

For Man Vastucon LLP



Dhaval Selwadia
Partner
Membership No. 100023




Suketu P. Shah
Designated Partner
DIN No : 00063793



Manan P. Shah
Designated Partner
DIN No : 06500239

Date : 14th May, 2021

Date : 14th May, 2021