

# G. M. KAPADIA & CO.

(REGISTERED)

## CHARTERED ACCOUNTANTS

1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA

PHONE : (91-22) 6611 6611 FAX : (91-22) 6611 6600

### Independent Auditor's Report on the Standalone Special Purpose Ind AS Financial Statements of MICL Global Inc.

To

The Board of Directors of MICL Global Inc.

#### Opinion

We have audited the accompanying Standalone Special Purpose Ind AS Financial Statements of **MICL Global Inc.** (the "Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity for the year ended March 31, 2023 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Standalone Special Purpose Ind AS Financial Statements"). The Standalone Special Purpose Ind AS Financial Statements is prepared by the Board of Directors in accordance with Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") to enable **Man Infraconstruction Limited** to prepare its Ind AS consolidated financial statements for the year ended March 31, 2023.

In our opinion and to the best of our information and according to the explanations given to us, the standalone Special Purpose Ind AS Financial Statements as at and for the year ended March 31, 2023 give information required in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act"), as amended and are prepared in compliance of instructions received from Man Infraconstructions Limited and based on significant accounting policies adopted by MICL Global Inc.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("the 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 Standalone Special Purpose Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with the requirements and of 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 Standalone Special Purpose Ind AS Financial Statements.

#### Management's Responsibility for the Standalone Special Purpose Ind AS Financial Statements

Board of Directors including those charged with governance are responsible for preparation of these Standalone Special Purpose Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS).





This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgement 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 Standalone special purpose financial statement including adjustments to be made to comply with the requirements of Ind AS that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Special Purpose Ind AS Financial Statements, the Board of Directors and the 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.

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

#### **Auditors' Responsibility for the Standalone Special Purpose Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone Special Purpose Ind AS 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 Standalone Special Purpose Ind AS Financial Statements.

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 Standalone Special Purpose Ind AS 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are





required to draw attention in our auditor's report to the related disclosures in the Standalone Special Purpose Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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 Reporting Requirements**

We further 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 of the aforesaid Standalone Special Purpose Ind AS Financial Statements.
- b) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Standalone Special Purpose Ind AS Financial Statements.

### **Restriction on distribution and use**

These Standalone Special purpose Ind AS Financial Statements are not general purpose financial statements. This report on the Standalone Special Purpose Ind AS Financial Statements has been issued solely for the limited purpose of consolidation into the financial statements of the holding company, Man Infraconstructions Limited and is intended solely for the information and use by the managements of the Company, the Holding Company and the Statutory Auditors of the Holding Company. It should not be used for any other purpose or distributed to or used by other parties.

**For G M Kapadia & Co.,**  
Chartered Accountants  
Firm Registration. No. 104767W



Place: Mumbai  
Date: May 08, 2023


  
**Atul Shah**  
Partner  
Membership No. 039569  
UDIN:23039569BGURIT1737

MICL Global INC.  
Balance Sheet As At March 31, 2023

		(Amount in USD)	
Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>I. Assets</b>			
<b>1. Non Current Assets</b>			
a. Property, Plant and Equipement	2.1	11,195	13,095
b. Goodwill	2.2	2,51,675	2,51,675
c. Financial Assets			
Investments	2.3	1,31,48,325	9,18,325
d. Deferred tax assets (net)	2.4	2,44,661	-
<b>Total Non Current Assets</b>		<b>1,36,55,856</b>	<b>11,83,095</b>
<b>2. Current Assets</b>			
a. Financial Assets			
Investments	2.5	10,145	4,952
Cash and cash equivalents	2.6	1,01,40,354	69,40,016
Loans and Advances	2.7	-	10,00,000
Others	2.8	25,000	25,100
b. Other Current Assets	2.9	-	17,000
<b>Total Current Assets</b>		<b>1,01,75,499</b>	<b>79,87,068</b>
<b>Total Assets</b>		<b>2,38,31,355</b>	<b>91,70,163</b>
<b>II. Equity and Liabilities</b>			
<b>1. Equity</b>			
a. Equity Share Capital	2.10	2,45,00,000	95,00,000
b. Other Equity	2.11	(7,73,352)	(4,17,487)
<b>Total Equity</b>		<b>2,37,26,648</b>	<b>90,82,513</b>
<b>2. Current Liabilities</b>			
a. Financial Liabilities			
Others	2.12	1,04,707	87,650
<b>Total Current Liabilities</b>		<b>1,04,707</b>	<b>87,650</b>
<b>Total Equity and Liabilities</b>		<b>2,38,31,355</b>	<b>91,70,163</b>

Summary of Significant Accounting Policies 1  
Refer accompanying notes. These notes are integral part of Financial Statements


As per our report of even date  
**For G M Kapadia & Co**  
Chartered Accountants  
Firm Registration No. 104767W

  
**Atul Shah**  
Partner  
Membership No. 039569

Place : Mumbai  
Date : May 08, 2023



**For MICL Global Inc.**

  
**Manan P. Shah**  
Director  
DIN: 06500239

Place : Mumbai  
Date : May 08, 2023



**MICL Global INC.**

**Statement Of Profit And Loss For The Year Ended March 31, 2023**

(Amount in USD)			
Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) <b>Income</b>			
Other Income	3.1	11,671	16,606
<b>Total Income</b>		<b>11,671</b>	<b>16,606</b>
(ii) <b>Expenses</b>			
Employee Benefits Expense	3.2	3,70,440	2,81,970
Finance Cost	3.3	7,629	-
Depreciation and Amortisation Expense	2.1	1,900	164
Other Expenses	3.4	2,32,228	1,41,614
<b>Total Expenses</b>		<b>6,12,197</b>	<b>4,23,748</b>
(iii) <b>Profit / (loss) before Tax (i-ii)</b>		<b>(6,00,526)</b>	<b>(4,07,142)</b>
(iv) <b>Tax Expenses</b>			
Current Tax		-	-
Deferred Tax	3.5	(2,44,661)	-
(v) <b>Profit / (Loss) after Tax (iii-iv)</b>		<b>(3,55,865)</b>	<b>(4,07,142)</b>
(vi) <b>Other Comprehensive Income</b>		-	-
(viii) <b>Total Comprehensive Income for the period (v+vi)</b>		<b>(3,55,865)</b>	<b>(4,07,142)</b>
(ix) <b>Earnings per equity share</b>	4.1		
Basic		(0.02)	(0.09)
Diluted		(0.02)	(0.09)
Weighted average number of equity shares and potential equity shares used as denominator in calculating basic earnings per share		1,45,27,397	47,49,521

Summary of Significant Accounting Policies

1

Refer accompanying notes. These notes are integral part of Financial Statements

As per our report of even date

**For G M Kapadia & Co**

Chartered Accountants

Firm Registration No. 104767W

**For MICL Global Inc.**

**Atul Shah**

Partner

Membership No. 039569



**Manan P. Shah**

Director

DIN: 06500239

Place : Mumbai

Date : May 08, 2023

Place : Mumbai

Date : May 08, 2023

MICL Global INC.

Statement of Changes in Equity for the year ended 31st March, 2023

A. Equity Share Capital	(Amount in USD)
Balance as at 1st April, 2021	25,000
Changes in Equity Share Capital during the year	94,75,000
Balance as at 31st March, 2022	95,00,000
Changes in Equity Share Capital during the year	1,50,00,000
Balance as at 31st March, 2023	2,45,00,000

B. Other Equity	Reserves and Surplus	
	Retained Earnings	Total
Balance at April 01, 2021	(10,344)	(10,344)
Profit for the year	(4,07,142)	(4,07,142)
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	(4,17,486)	(4,17,486)
Balance at March 31, 2022	(4,17,486)	(4,17,486)
Profit for the year	(3,55,865)	(3,55,865)
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	(3,55,865)	(3,55,865)
Balance at March 31, 2023	(7,73,352)	(7,73,352)

**MICL Global INC.**

**Cash Flow Statement for the year ended March 31, 2023**

Particulars	(Amount in USD)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash flow from operating activities</b>		
Profit/(loss) before tax		
Adjustments for:	(6,00,526)	(4,07,142)
Finance costs	7,629	-
Interest Income	(11,492)	(16,606)
Dividend Income	(131)	-
loss/Gain on fair valuation of Investment	(48)	-
Depreciation & amortisation expenses	1,900	164
<b>Operating profit before working capital changes</b>	<b>(6,02,668)</b>	<b>(4,23,584)</b>
Adjustments for:		
(Increase) / Decrease in Other Assets	17,000	(17,000)
(Increase) / Decrease in Other Financial Assets	(16,500)	(8,500)
Increase / (Decrease) in Other Financial Liabilities	17,058	83,606
<b>Cash generated from operations</b>	<b>(5,85,110)</b>	<b>(3,65,478)</b>
Direct taxes paid (net of refunds)	-	-
<b>Net cash flow from/(used in) operating activities</b>	<b>(5,85,110)</b>	<b>(3,65,478)</b>
<b>Cash flow from investing Activities</b>		
Interest Received	28,092	6
Dividend Received	131	-
Investment in Subsidiary & Joint venture	(1,22,30,000)	(9,18,325)
Loans given to others	-	(20,00,000)
Loans received back from others	10,00,000	10,00,000
Loans given to joint venture	(78,20,000)	-
Loans received back from joint venture	78,20,000	-
Acquisition of Property, plant and equipment including intangible assets and capital advances	-	(2,64,934)
Purchase of Investments	(5,145)	(4,952)
<b>Net cash flow from/(used in) investing activities</b>	<b>(1,12,06,922)</b>	<b>(21,88,205)</b>
<b>Cash flow from financing Activities</b>		
Issue of Equity capital	1,50,00,000	94,75,000
Unsecured Loan Taken From Others	45,00,000	-
Unsecured Loan taken from Others repaid	(45,00,000)	-
Finance Costs	(7,629)	-
<b>Net cash flow from/(used in) in financing activities</b>	<b>1,49,92,371</b>	<b>94,75,000</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>32,00,339</b>	<b>69,21,316</b>
Cash and cash equivalents at the beginning of the year	69,40,016	18,700
<b>Cash and cash equivalents at the end of the year</b>	<b>1,01,40,354</b>	<b>69,40,016</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement :</b>		
Cash on Hand	-	-
Balance in Current accounts with Scheduled Banks	1,01,40,354	69,40,016
Balance as per the cash flow statement :	<b>1,01,40,354</b>	<b>69,40,016</b>

As per our report of even date

**For G M Kapadia & Co**

Chartered Accountants

Firm Registration No. 104767W

**Atul Shah**

Partner

Membership No. 039569

Place: Mumbai

Date : May 08, 2023



**For MICL Global Inc.**

**Manan P. Shah**

Director

DIN: 06500239

Place : Mumbai

Date : May 08, 2023



**Background**

MICL Global INC domiciled in State of Delaware. The Company was incorporated on October 2, 2020.

**Authorisation of Standalone Financial Statements**

The standalone financial statements for the year ended March 31, 2023, were approved and authorised for issue by the Board of Directors on May 08, 2023

**1 Summary of Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the presentation of these standalone financial statements.

**1.01 Basis of Preparation**

Compliance with Ind AS

These Special Purpose Standalone financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") and relevant rules issued there under to the extent applicable to the Company.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including investments in mutual funds) are measured at fair value;

**1.02 Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

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

Deferred tax assets and liabilities are classified as non-current on net basis.

**1.03 Property, Plant and Equipment**

Property, Plant and Equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

**1.04 Depreciation on Property, Plant and Equipment**

Depreciation on Property, Plant and Equipment is computed on written down value method. Depreciation for assets purchased / sold during a period is proportionately charged.

**1.05 Impairment of non-financial assets**

Carrying amount of Property, Plant and Equipment, and investments in subsidiaries (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period. When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit and loss.

*am*



**1.06 Investment in subsidiaries**

The Company's investments in its subsidiaries and joint ventures are accounted at cost as per Ind AS 27 and reviewed for impairment at each reporting date.

**1.07 Use of judgements, estimates and assumptions**

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known / materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

**1.08 Financial Instruments**

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition and Measurement – Financial Assets and Financial Liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Classification and Subsequent Measurement : Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following :

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset

Amortised Cost

A financial asset is classified and measured at amortised cost if both of the following conditions are met :

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTOCI

A financial asset is classified and measured at FVTOCI if both of the following conditions are met :

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTPL

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Classification and Subsequent measurement : Financial Liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Financial Liabilities at FVTPL

Financial liabilities are classified as FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.



Derecognition of Financial Assets and Financial Liabilities

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

**1.09 Revenue Recognition**

Revenue is recognised on satisfaction of performance obligations upon transfer of control of promised works or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those works or services. Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognised over time.

- 1 The Customer simultaneously receives and consumes the benefits provided by the Company's performance
- 2 The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or  
The Company's performance doesn't create an asset with an alternative use to the Company and the Company has an enforceable right to payment
- 3 for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

**1.10 Recognition of Dividend Income and Interest Income**

Dividend income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on timely basis, by reference to the principal outstanding and at the effective interest rate applicable.

**1.11 Employee Benefits**

**a. Short Term Obligations**

Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of profit and loss of the year in which the related services are rendered. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

**b. Post-employment Obligations**

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund.

**1.12 Taxes on Income**

The Company files federal & state tax returns on consolidated basis. As such, the Company on standalone basis is not a tax paying entity and accordingly, it does not recognise any expense for such taxes. The income tax liability resulting from the activities of the Company and its subsidiaries shall be computed at the time of filing consolidated tax return.

**Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover the carrying amount of its assets and liabilities.



**1.13 Earnings Per Share (EPS)**

**Basic earnings per share**

Basic earnings per share is calculated by dividing :

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares

**1.14 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event; it is probable that the Company will be required to settle the present obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risk and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material)

Contingent liabilities are stated separately by way of a note. Contingent Liabilities are disclosed when the Company has a possible obligation or a present obligation and it is not probable that a cash outflow will be required to settle the obligation. Contingent Assets are neither recognised nor disclosed.

**1.15 Foreign Currencies**

The Functional currency of the Company is the United States Dollars (USD). These financial statements are presented in USD.

**1.16 Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.


**1.17 Goodwill**

**Goodwill on acquisition**

Goodwill on acquisition represents excess of consideration paid for acquisition of business over the fair value of net assets. Goodwill is not amortised but is tested for impairment at each reporting date.

**Impairment of Goodwill**

The Company estimates the value-in-use of the cash generating units (CGUs) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital and estimated operating margins.



MICL Global INC.  
Notes to the Financial Statements for the year ended 31st March, 2023

2.1 Property, Plant and Equipment

(Amount in USD)									
Description	Gross Carrying Amount				Accumulated Depreciation			Net Carrying Amount	
	As at	Additions	Disposal	As at	For the	Eliminatio	As at	As at	As at
	April 01, 2022			March 31, 2023	Year	n Disposal	March 31, 2023	March 31, 2022	March 31, 2022
Furniture & Fittings	13,260	-	-	13,260	1,900	-	2,064	11,195	13,095

(Amount in USD)									
Description	Gross Carrying Amount				Accumulated Depreciation			Net Carrying Amount	
	As at	Additions	Disposal	As at	For the	Eliminatio	As at	As at	As at
	April 01, 2021			March 31, 2022	Year	n Disposal	March 31, 2022	March 31, 2021	March 31, 2021
Furniture & Fittings	-	13,260	-	13,260	164	-	164	13,095	-

or



MICL Global INC.

Notes to the Financial Statements for the year ended March 31, 2023

		(Amount in USD)	
		As at 31st March, 2023	As at 31st March, 2022
<b>2.2 Goodwill</b>			
Balance at the beginning of the year		2,51,675	-
Add: on acquisition of stake in subsidiary		-	2,51,675
		<u>2,51,675</u>	<u>2,51,675</u>
<b>2.3 Investments</b>			
In LLC measured at Cost			
Wholly Owned Subsidiary			
3090 McDonald Ave, LLC		21,68,325	9,18,325
Joint Ventures			
MICL Bayshore LLC		40,60,000	-
Parvat Washington LLC		24,10,000	-
Parvat Ponce, LLC		45,10,000	-
Total		<u>1,31,48,325</u>	<u>9,18,325</u>
<b>2.4 Deferred Tax Assets</b>			
Deferred tax on Business loss		2,44,661	-
Total		<u>2,44,661</u>	<u>-</u>
<b>2.5 Investments</b>			
In Government Securities			
		10,145	4,952
		<u>10,145</u>	<u>4,952</u>
<b>2.6 Cash and Cash Equivalents</b>			
Balances with Banks			
On Current Accounts			
Chase Bank Checking (3097)		1,01,30,351	69,25,011
Wells Fargo Checking (6076)		10,002	10,000
Fidelity Cash		1	5,005
Cash on Hand		-	-
		<u>1,01,40,354</u>	<u>69,40,016</u>
<b>2.7 Loans and Advances</b>			
Loans Receivable Considered Good, Unsecured			
Urban Miami Beach Partners		-	10,00,000
		<u>-</u>	<u>10,00,000</u>
<b>2.8 Other Financial Assets</b>			
Security Deposits		25,000	8,500
Accrued Interest		-	16,600
Total		<u>25,000</u>	<u>25,100</u>
<b>2.9 Other Current Assets</b>			
Prepaid Expenses		-	17,000
		<u>-</u>	<u>17,000</u>

*See*

(Amount in USD)

	As at 31st March, 2023	As at 31st March, 2022
<b>2.10 Equity Share Capital</b>		
Authorised		
3,000,000 (March 31, 2022: 950,000) Equity Shares of USD 10 each	3,00,00,000	95,00,000
Issued, Subscribed and fully paid up		
2,450,000 (March 31, 2022: 950,000) Equity Shares of USD 10 each fully paid	2,45,00,000	95,00,000
	<b>2,45,00,000</b>	<b>95,00,000</b>

**(a) Reconciliation of number of shares outstanding**

	As at March 31, 2023		As at March 31, 2022	
Equity Shares	No. of Shares	Amount (in USD)	No. of Shares	Amount (in USD)
At the beginning of the year	9,50,000	95,00,000	2,500	25,000
Movements for the year	15,00,000	1,50,00,000	9,47,500	94,75,000
At the end of the year	<b>24,50,000</b>	<b>2,45,00,000</b>	<b>9,50,000</b>	<b>95,00,000</b>

**(b) Details of shareholders holding more than 5% shares in the Company**

	As at March 31, 2023		As at March 31, 2022	
Name of the Shareholder	No. of Shares	% of Holding	No. of Shares	% of Holding
1. Man Infraconstructions Limited	24,50,000	100%	9,50,000	100%

	As at March 31, 2023	As at March 31, 2022
<b>2.11 Other Equity</b>		
Retained Earnings	(7,73,352)	(4,17,487)
	<b>(7,73,352)</b>	<b>(4,17,487)</b>

	As at 31st March, 2023	As at 31st March, 2022
<b>2.12 Financial Liabilities</b>		
Others		
Accrued Salary	72,540	60,210
Credit card payable - AMEX	28,497	27,440
Other Payables	3,670	-
	<b>1,04,707</b>	<b>87,650</b>

	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>3.1 Other Income</b>		
Interest Income	11,490	-
Dividend Income	131	-
Accrued Interest	-	16,606
Unrealised gain from foreign currency transactions	48	-
Others	2	-
<b>Total</b>	<b>11,671</b>	<b>16,606</b>

	For the Year ended March 31, 2023	For the Year ended March 31, 2023
<b>3.2 Employee Benefits Expense</b>		
Salaries	3,70,440	2,81,970
<b>Total</b>	<b>3,70,440</b>	<b>2,81,970</b>

	For the Year ended March 31, 2023	For the Year ended March 31, 2023
<b>3.3 Finance Cost</b>		
Interest Expense	7,629	-
<b>Total</b>	<b>7,629</b>	<b>-</b>



MICL Global INC.

Notes to the Financial Statements for the year ended March 31, 2023

		(Amount in USD)	
		For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>3.4 Other Expenses</b>			
Bank Charges		335	1,124
Taxes & Licenses		16,315	6,992
Rent		1,02,500	45,800
Accounting Fee		850	6,150
Staff Welfare		5,074	8,539
Office Expenses		4,490	952
Office Supplies		7,376	2,269
Trade Show Expenses		-	7,900
Software Expenses		11,138	-
General Expenses		1,844	783
Travelling Expenses		61,933	40,478
General Utility		2,299	134
Filing Charges		945	-
Auditor's Remuneration		2,450	-
Insurance Expenses		2,313	227
Postage & Shipping		323	1,818
Professional Charges		12,043	18,400
Rounding Off Charges		0.19	-
Others		-	48
<b>Total</b>		<b>2,32,228</b>	<b>1,41,614</b>
<b>3.5 Deferred Tax</b>		For the Year ended March 31, 2023	For the Year ended March 31, 2023
Deferred Tax Income on losses of business		(2,44,661)	-
<b>Total</b>		<b>(2,44,661)</b>	<b>-</b>



**4.01 Financial Instruments : Fair value measurements, Financial risk management and Capital management****(i) Methods and assumptions used to estimate the fair values.**

The fair values of the financial assets and liabilities are included at the amount at which the instruments can be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other receivables, other bank balances, deposits, loans, accrued interest, trade payables, receivables / payables for property, plant and equipment, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.
- The fair values of non-current assets and liabilities are measured at amortised cost and are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.
- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**(ii) Categories of Financial instruments**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: inputs which are not based on observable market data

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
<b>Measured at amortised cost</b>				
Investment in Government securities	10,145	10,145	4,952	4,952
Trade receivables	-	-	-	-
Cash and bank balances	1,01,40,354	1,01,40,354	69,40,016	69,40,016
Loans	-	-	10,00,000	10,00,000
Other Financial Assets	25,000	25,000	25,100	25,100
<b>Total Financial Assets</b>	<b>1,01,75,499</b>	<b>1,01,75,499</b>	<b>79,70,068</b>	<b>79,70,068</b>

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Liabilities</b>				
<b>Measured at amortised cost</b>				
Other Financial Liabilities	1,04,707	1,04,707	87,650	87,650
<b>Total Financial Liabilities</b>	<b>1,04,707</b>	<b>1,04,707</b>	<b>87,650</b>	<b>87,650</b>

**(iii) Financial Risk Management**

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. The Board has adopted a Risk Management Policy. All business divisions and corporate functions have embraced Risk Management Policy and make use of it in their decision making. Risk management is an integral part of the business practices of the Company.

The Company's activities expose it to credit risk, liquidity risk and market risk. These key business risks and their mitigation are considered in day-to-day working of the Company.

**a. Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument may fluctuate because of changes in market prices. The Company has insignificant exposure to market risks as it has no debts as at the end of the reporting period.

**b. Credit Risk**

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the Company. Credit risk arises from Company's activities in investments and outstanding receivables from customers.

**c. Liquidity Risk**

Considering the fact that the Company does not have material amounts of non current assets (consist of Withholding tax credit) coupled with the fact that the services are rendered exclusively to a fellow subsidiary, the Company is not exposed to a significant liquidity risk.

**(iv) Capital Management****Risk management**

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to maximise shareholder value.

For the purpose of the Company's capital management, capital includes capital and all other equity reserves. In order to maintain or achieve a capital structure that maximises the shareholder value, the Company allocates its capital for distribution as dividend or reinvestment into business based on its long term financial plans. As at March 31, 2023, the Company has only one class of equity shares and has no debts of long term nature. Hence, there are no externally imposed capital requirements.



## 4.02 Related Party Disclosures

List of Related Parties where control exists and related parties with whom transactions have been taken place and relationship

Sl. No.	Name of the Related Party	Relationship
1	Man Infraconstructions Limited	Holding Company
2	3090 McDonald Ave LLC	Subsidiary Company
3	MICL Bayshore LLC	Joint Venture
4	Parvat Washington LLC	Joint Venture
5	Parvat Ponce, LLC	Joint Venture
6	Vatsal Shah	Key Management Personnel
7	Keshal Parekh	Key Management Personnel

Transactions with Related Party	Subsidiaries	Holding	Associates and Joint Ventures	Key Management personnel	Relatives of Key Management Personnel	Enterprises in which Key Management Personnel and/or their relatives have Significant Influence	Total
<b>Investment</b>							
3090 McDonald Ave LLC	12,50,000	-	-	-	-	-	12,50,000
	(9,18,325)	(-)	(-)	(-)	(-)	(-)	(9,18,325)
MICL Bayshore LLC	-	-	40,60,000	-	-	-	40,60,000
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Parvat Ponce LLC	-	-	45,10,000	-	-	-	45,10,000
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Parvat Washington LLC	-	-	24,10,000	-	-	-	24,10,000
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Short Term Employee Benefits Paid</b>							
Vatsal Shah	-	-	-	1,29,600	-	-	1,29,600
	(-)	(-)	(-)	(61,200)	(-)	(-)	(61,200)
Keshal Parekh	-	-	-	2,40,840	-	-	2,40,840
	(-)	(-)	(-)	(2,20,770)	(-)	(-)	(2,20,770)
<b>Capital Contribution</b>							
Man Infraconstruction Limited	-	1,50,00,000	-	-	-	-	1,50,00,000
	(-)	(94,75,000)	(-)	(-)	(-)	(-)	(94,75,000)

\* Figures in bracket pertain to Previous Year

4.03 Previous year figures are unaudited because not required to be audited under respective governing act of such country and the same is certified by the management of the Company.


As per our report of even date  
**For G M Kapadia & Co**  
 Chartered Accountants  
 Firm Registration No. 104767W

  
**Atul Shah**  
 Partner  
 Membership No. 039569

Place: Mumbai  
 Date: May 08, 2023



**For MICL Global Inc.**

  
**Manan P. Shah**  
 Director  
 DIN: 06500239

Place: Mumbai  
 Date: May 08, 2023

# G. M. KAPADIA & CO.

(REGISTERED)

## CHARTERED ACCOUNTANTS

1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA

PHONE : (91-22) 6611 6611 FAX : (91-22) 6611 6600

### Independent Auditor's Report on the Consolidated Special Purpose Ind AS Financial Statements of MICL Global Inc.

To

The Board of Directors of **MICL Global Inc.**

#### Opinion

We have audited the accompanying Consolidated Special Purpose Ind AS Financial Statements of **MICL Global Inc.** (the "Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity for the year ended March 31, 2023 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Special Purpose Ind AS Financial Statements"). The Consolidated Special Purpose Ind AS Financial Statements is prepared by the Board of Directors in accordance with Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") to enable Man Infraconstruction Limited to prepare its Ind AS consolidated financial statements for the year ended March 31, 2023.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the financial statement and other financial information of step down joint ventures as certified by the management as referred to in Other Matters section below, the Consolidated Financial Statements for the year ended March 31, 2023

- (i) includes the annual standalone financial statements, wherever applicable, of the following entities;

S No	Name of the Entities
<b>A</b>	<b>Parent</b>
1	MICL Global Inc
<b>B</b>	<b>Subsidiary</b>
1	3090 Mc Donald Ave, LLC
<b>C</b>	<b>Joint Ventures</b>
1	MICL Bayshore LLC
2	Parvat Ponce LLC
3	Parvat Washington LLC
<b>D</b>	<b>Step down Joint Ventures</b>
1	551 Bayshore Partners LLC (Joint venture of MICL Bayshore LLC)
2	1505 Parvat Ponce Partners LLC (Joint Venture of Parvat Ponce LLC)
3	Urban Miami Beach Partners LLC (Joint Venture of Parvat Washington LLC)

- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net loss and consolidated total comprehensive loss and other financial information of the Group for the year ended March 31, 2023.





### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("the 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 Consolidated Special Purpose Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with the requirements and of the ICAI's Code of Ethics. We believe that the audit evidence we have obtained by us and other auditors in terms of their report referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion.

### **Management's Responsibility for the Consolidated Special Purpose Ind AS Financial Statements**

The Holding Company's Management and Board of Directors including those charged with governance are responsible for preparation of these Consolidated Special Purpose Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS).

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgement 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 Consolidated special purpose financial statement including adjustments to be made to comply with the requirements of Ind AS that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Special Purpose Ind AS Financial Statements, the Board of Directors and the 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 respective Board of Directors of the companies included in the Group, its joint ventures and step down joint ventures are responsible for overseeing the financial reporting process of the Group, its joint ventures and step down joint ventures.

### **Auditors' Responsibility for the Consolidated Special Purpose Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Special Purpose Ind AS 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 Consolidated Special Purpose Ind AS Financial Statements.





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 Consolidated Special Purpose Ind AS 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Special Purpose Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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 Matters**

- (i) We did not audit financial statements of three step down Joint ventures whose financials statements also includes the Group's share of net loss of USD Nil and total comprehensive loss of USD Nil for the year ended March 31, 2023, respectively, as considered in the Statement, in respect of three step down joint ventures, whose standalone financial statements are certified by management.

#### **Other Reporting Requirements**

We further 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 of the aforesaid Consolidated Special Purpose Ind AS Financial Statements.





- b) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Loss, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Special Purpose Ind AS Financial Statements.

**Restriction on distribution and use**

These Consolidated Special purpose Ind AS Financial Statements are not general purpose financial statements. This report on the Consolidated Special Purpose Ind AS Financial Statements has been issued solely for the limited purpose of consolidation into the financial statements of the holding company, Man Infraconstruction Limited and is intended solely for the information and use by the managements of the Company, the Holding Company and the Statutory Auditors of the Holding Company. It should not be used for any other purpose or distributed to or used by other parties.

**For G M Kapadia & Co.,**

Chartered Accountants

Firm Registration. No. 104767W



**Atul Shah**

Partner

Membership No. 039569

UDIN: 23039569BGURIS9071

Place: Mumbai

Date: May 08, 2023

**MICL Global INC. (Consolidated)**  
**Balance Sheet as at March 31, 2023**

(Amount in USD)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>I. Assets</b>			
<b>1. Non Current Assets</b>			
a. Property, Plant and Equipement	2.1	11,195	13,095
b. Goodwill	2.2	251,675	251,675
c. Investments			
Investment accounted for using the equity method	2.3	11,053,397	-
d. Deferred tax assets (net)	2.4	244,661	-
<b>Total Non Current Assets</b>		<b>11,560,928</b>	<b>264,770</b>
<b>2. Current Assets</b>			
a. Inventories	2.5	1,860,777	845,330
b. Financial Assets			
Investments	2.6	10,145	4,953
Cash and cash equivalents	2.7	10,445,852	6,987,542
Loans and Advances	2.8	-	1,000,000
Others	2.9	25,000	25,100
c. Other Current Assets	2.10	-	42,000
<b>Total Current Assets</b>		<b>12,341,774</b>	<b>8,904,925</b>
<b>Total Assets</b>		<b>23,902,702</b>	<b>9,169,695</b>
<b>II. Equity and Liabilities</b>			
<b>1. Equity</b>			
a. Equity Share Capital	2.11	24,500,000	9,500,000
b. Other Equity	2.12	(702,006)	(417,955)
<b>Total Equity</b>		<b>23,797,994</b>	<b>9,082,045</b>
<b>2. Current Liabilities</b>			
a. Financial Liabilities			
Others	2.13	104,708	87,650
<b>Total Current Liabilities</b>		<b>104,708</b>	<b>87,650</b>
<b>Total Equity and Liabilities</b>		<b>23,902,702</b>	<b>9,169,695</b>

Summary of Significant Accounting Policies 1

Refer accompanying notes. These notes are integral part of Financial Statements

As per our report of even date

**For G M Kapadia & Co**

Chartered Accountants

Firm Registration No. 104767W

**Atul Shah**

Partner

Membership No. 039569

Place : Mumbai

Date : May 08, 2023



**For MICL Global INC.**

**Manan P. Shah**

Director

DIN : 06500239

Place : Mumbai

Date : May 08, 2023



**MICL Global INC. (Consolidated)**  
**Statement of Profit and Loss for the year ended March 31, 2023**

(Amounts in USD)

Particulars	Note No.	For the year ended	
		2023	2022
(i) <b>Income</b>			
Revenue from Operations		-	-
Other Income	3.1	11,671	19,606
<b>Total Income</b>		<b>11,671</b>	<b>19,606</b>
(ii) <b>Expenses</b>			
Cost of Materials Consumed	3.2	586,230	-
Changes in inventories of Work-in-Progress	3.3	(1,015,447)	(138,527)
Employee Benefits Expense	3.4	370,440	281,970
Subcontract / Labour Charges	3.5	231,355	-
Finance Cost	3.6	7,629	-
Depreciation and Amortisation Expense	2.1	1,900	165
Other Expenses	3.7	431,673	283,610
<b>Total Expenses</b>		<b>613,780</b>	<b>427,218</b>
(iii) <b>Profit / (loss) before Share of profit from Joint Venture &amp; Associates &amp; Tax (i-ii)</b>		<b>(602,109)</b>	<b>(407,612)</b>
(iv) <b>Share of Profit from Joint Venture &amp; Associates</b>		73,398	-
(v) <b>Profit / (loss) before Tax (iii+iv)</b>		<b>(528,711)</b>	<b>(407,612)</b>
(iv) <b>Tax Expenses</b>			
Current tax		-	-
Deferred Tax		(244,661)	-
(v) <b>Profit / (Loss) after Tax (iii-iv)</b>		<b>(284,050)</b>	<b>(407,612)</b>
(vi) <b>Other Comprehensive Income</b>		-	-
(viii) <b>Total Comprehensive Income for the period (v+vi)</b>		<b>(284,050)</b>	<b>(407,612)</b>
(ix) <b>Earnings per equity share</b>			
Basic		(0.20)	(0.84)
Diluted		(0.20)	(0.84)
Weighted average number of equity shares and potential equity shares used as denominator in calculating basic earnings per share		1,452,740	486,233

Summary of Significant Accounting Policies

1

Refer accompanying notes. These notes are integral part of Financial Statements

As per our report of even date

**For G M Kapadia & Co**

Chartered Accountants

Firm Registration No. 104767W



**Atul Shah**

Partner

Membership No. 039569

Place : Mumbai

Date : May 08, 2023



**For MICL Global INC.**



**Manan P. Shah**

Director

DIN : 06500239

Place : Mumbai

Date : May 08, 2023

MICL Global INC. (Consolidated)

Statement of Changes in Equity for the year ended 31st March, 2023

(Amount in USD)

**A. Equity Share Capital**

Balance as at 1st April, 2021	25,000
Changes in Equity Share Capital during the year	9,475,000
<b>Balance as at 31st March, 2022</b>	<b>9,500,000</b>
Changes in Equity Share Capital during the year	15,000,000
<b>Balance as at 31st March, 2023</b>	<b>24,500,000</b>

**1. As at March 31, 2023**

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
9,500,000	-	9,500,000	15,000,000	24,500,000

**2. As at March 31, 2022**

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Equity Share Capital during the previous year	Balance at the end of the previous reporting period
25,000	-	25,000	9,475,000	9,500,000

**B. Other Equity**

Particulars	Reserves and Surplus	Total
<b>Balance at April 01, 2021</b>	(10,344)	(10,344)
Profit for the year	(407,612)	(407,612)
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	(407,612)	(407,612)
<b>Balance at March 31, 2022</b>	<b>(417,956)</b>	<b>(417,956)</b>
Profit for the year	(284,050)	(284,050)
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	(284,050)	(284,050)
<b>Balance at March 31, 2023</b>	<b>(702,006)</b>	<b>(702,006)</b>



MICL Global INC. (Consolidated)  
Cash Flow Statement for the year ended March 31, 2023

Particulars	(Amount in USD)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash flow from operating activities</b>		
Profit/(loss) before tax	(602,109)	(407,612)
Adjustments for:		
Finance costs	7,629	-
Interest Income	(11,492)	(16,606)
Dividend Income	(131)	-
loss/Gain on fair valuation of Investment	(48)	48
Rent Income	-	(3,000)
Depreciation & amortisation expenses	1,900	165
<b>Operating profit before working capital changes</b>	<b>(604,251)</b>	<b>(427,005)</b>
Adjustments for:		
Decrease/(increase) in Inventories	(1,015,447)	(855,809)
(Increase) / Decrease in Other Assets	42,000	(42,000)
(Increase) / Decrease in Other Financial Assets	(16,500)	(8,500)
Increase/(decrease) in other financial liabilities	17,060	83,605
<b>Cash generated from operations</b>	<b>(1,577,138)</b>	<b>(1,249,709)</b>
Direct taxes paid (net of refunds)	-	-
<b>Net cash flow from/(used in) operating activities</b>	<b>(1,577,138)</b>	<b>(1,249,709)</b>
<b>Cash flow from investing Activities</b>		
Interest Received	28,092	6
Dividend Received	131	-
Rent Received	-	3,000
Investment in Subsidiary & Joint venture	(10,980,000)	-
Loans given to others	-	(2,000,000)
Loans received back from others	1,000,000	1,000,000
Loans given to joint venture	(7,820,000)	-
Loans received back from joint venture	7,820,000	-
Acquisition of Property, plant and equipment including intangible assets :	-	(264,934)
Purchase of Investments	(5,146)	(5,000)
<b>Net cash flow from/(used in) investing activities</b>	<b>(9,956,923)</b>	<b>(1,266,928)</b>
<b>Cash flow from financing Activities</b>		
Issue of Equity capital	15,000,000	9,475,000
Bank OD	-	-
Unsecured Loan Taken From Others	4,500,000	-
Unsecured Loan taken from Others repaid	(4,500,000)	-
Capital Introduced	-	-
Finance Costs	(7,629)	-
<b>Net cash flow from/(used in) in financing activities</b>	<b>14,992,371</b>	<b>9,475,000</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,458,310</b>	<b>6,958,363</b>
Cash and cash equivalents at the beginning of the year	6,987,542	29,179
<b>Cash and cash equivalents at the end of the year</b>	<b>10,445,852</b>	<b>6,987,542</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement :</b>		
Cash on Hand	-	-
Balance in Current accounts with Scheduled Banks	10,445,852	6,987,542
<b>Balance as per the cash flow statement :</b>	<b>10,445,852</b>	<b>6,987,542</b>

As per our report of even date  
For G M Kapadia & Co  
Chartered Accountants  
Firm Registration No. 104767W

Atul Shah  
Partner  
Membership No. 039569

Place: Mumbai  
Date: May 08, 2023



For MICL Global INC.

Manan P. Shah  
Director  
DIN : 06500239

Place : Mumbai  
Date: May 08, 2023

**MICL Global INC. (Consolidated)**

**Notes to Consolidated Financial Statements for the year ended March 31, 2023**

---

**Background**

MICL Global INC domiciled in State of Delaware. The Company was incorporated on October 2, 2020.

**Authorization of consolidated financial statements**

The Consolidated financial statements for the year ended March 31, 2023, were approved and authorised for issue by the Board of Directors on May 08, 2023

**1 Summary of significant accounting policies**

This note provides a list of the significant accounting policies adopted in the presentation of these consolidated financial statements. The consolidated financial statements are for the group consisting of MICL Global Inc (The "Company") and its subsidiaries.

**1.01 Basis of preparation**

**Compliance with Ind AS**

These Special Purpose Consolidated financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") and relevant rules issued there under to the extent applicable to the Company.

**Historical cost convention**

The Consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including investments in mutual funds) that are measured at fair value;

**1.02 Current versus non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

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

Deferred tax assets and liabilities are classified as non-current on net basis.

**1.03 Principles of Consolidation and equity accounting**

**(i) Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the holding Company's financial statements.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

**(ii) Associates**

Associates are all entities over which the group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.



**(iii) Joint arrangements**

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The group has three joint ventures.

**Joint Venture**

Interest in joint venture is accounted for using the equity method (see (iv) below), after initially being recognised at cost.

**(iv) Equity method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in statement of profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint venture are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amounts of equity accounted investments are tested for impairment in accordance with the policy described in note 1.10 below.

**(v) Changes in ownership interests**

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in statement of profit and loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture.

**(vi) Foreign Subsidiaries**

In case of foreign subsidiaries, revenue items are consolidated at average rate prevailing during the year. All Assets and Liabilities are converted at the rates prevailing at the end of the year. Exchange gain or loss on conversion arising on consolidation is recognized under foreign currency translation reserve.

**1.04 Property, plant and equipment**

Property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses (other than freehold land). The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

**Depreciation on property, plant and equipment**

Depreciation on property, plant and equipment is computed on written down value method. Depreciation for assets purchased / sold during a period is proportionately charged.



**1.05 Impairment of non-financial assets**

Carrying amount of Property, Plant and Equipment, intangible assets and investments in joint venture and associates (which are accounted under equity method) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period. When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit and loss.

**1.06 Use of judgements, estimates and assumptions**

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known / materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

**Critical estimates and judgements**

The areas involving critical estimates or judgements are:

- Recognition of deferred tax assets – Note 2.4

**1.07 Financial instruments**

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

**Initial Recognition and Measurement – Financial Assets and Financial Liabilities**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

**Classification and Subsequent Measurement : Financial Assets**

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following :

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

**Amortised Cost :**

A financial asset is classified and measured at amortised cost if both of the following conditions are met :

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.





**FVTOCI:**

A financial asset is classified and measured at FVTOCI if both of the following conditions are met :

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments

**FVTPL:**

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Impairment of Financial Assets :**

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**Classification and Subsequent measurement : Financial Liabilities**

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

**Financial Liabilities at FVTPL :**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

**Other Financial Liabilities :**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

**Derecognition of Financial Assets and Financial Liabilities :**

The Group de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred. If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

**1.08 Inventories**

Inventory of construction materials is valued at lower of cost (net of indirect taxes, wherever recoverable) and net realizable value. Cost is determined on FIFO basis. However, inventory is not written down below cost if the estimated revenue of the concerned contract is in excess of estimated cost.

Work in progress consists of projects and contracts in progress and are stated at cost (net of indirect taxes, wherever recoverable) or net realizable value, whichever is lower. Projects in progress include costs of incomplete properties for which the entity has not entered into sale agreements. Projects in progress also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure for the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained. Costs included in inventory include costs incurred up to the completion of the project viz. cost of land, materials, services and other expenses (including borrowing costs) attributable to the projects. Other stock is valued at lower of cost (net of indirect taxes, wherever recoverable) and net realizable value.

Finished properties are stated at lower of cost and net realizable value.

**1.09 Revenue recognition**

Revenue is recognized on satisfaction of performance obligations upon transfer of control of promised works or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those works or services. Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognized over time

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the group and the group has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

**1.10 Recognition of Dividend Income and Interest Income**

Dividend income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

**1.11 Employee benefits**

**a) Short-term obligations**

Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of profit & loss of the year in which the related services are rendered. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

**b) Post-employment obligations**

The Group operates the following post-employment schemes:

- defined benefit plans such as gratuity, and
- defined contribution plans such as provident fund.

**1.12 Taxes on income**

The Group files federal & state tax returns on consolidated basis. As such, the Company on standalone basis is not a tax paying entity and accordingly, it does not recognise any expense for such taxes. The income tax liability resulting from the activities of the Company and its subsidiaries shall be computed at the time of filing consolidated tax return.

**Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profits. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover the carrying amount of its assets and liabilities.





**1.13 Earnings Per Share (EPS)**

**Basic earnings per share**

Basic earnings per share is calculated by dividing :

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares

**1.14 Provisions, Contingent liabilities and Contingent Assets**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event; it is probable that the Group will be required to settle the present obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risk and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are stated separately by way of a note. Contingent Liabilities are disclosed when the Group has a possible obligation or a present obligation and it is not probable that a cash outflow will be required to settle the obligation. Contingent Assets are neither recognised nor disclosed.

**1.15 Foreign currencies**

Transactions and Balances:

The Functional currency of the Company is the United States Dollars (USD). These financial statements are presented in USD.

**1.16 Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**1.17 Goodwill**

Goodwill on acquisition

Goodwill on acquisition represents excess of consideration paid for acquisition of business over the fair value of net assets. Goodwill is not amortised but is tested for impairment at each reporting date.

Impairment of Goodwill

The Company estimates the value-in-use of the cash generating units (CGUs) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital and estimated operating margins.



## 2.1 Property, Plant and Equipment

FY 2021-22		Gross Carrying Amount		Accumulated Depreciation		(Amount in USD)	
Description	As at	Disposal	As at March 31, 2022	As at April 01, 2021	For the Year	Elimination on Disposal	Net Carrying Amount
	April 01, 2021						As at March 31, 2022
Furniture & Fittings	-	-	13,260	-	165	-	13,095



## MICL Global INC. (Consolidated)

Notes to Consolidated Financial Statements as at March 31, 2023

(Amounts in USD)

	As at March 31, 2023	As at March 31, 2022
<b>2.2 Goodwill</b>		
Balance at the beginning of the year	251,675	-
Add: On acquisition of stake in subsidiary	-	251,675
	<b>251,675</b>	<b>251,675</b>
<b>2.3 Investments</b>		
Joint Ventures		
MICL Bayshore LLC	4,133,397	-
Parvat Washington LLC	2,410,000	-
Parvat Ponce, LLC	4,510,000	-
<b>Total</b>	<b>11,053,397</b>	<b>-</b>
<b>2.4 Deferred Tax Assets</b>		
Deferred Tax on Business losses	244,661	-
<b>Total</b>	<b>244,661</b>	<b>-</b>
<b>2.5 Inventories</b>		
Work in progress	1,860,777	845,330
<b>Total</b>	<b>1,860,777</b>	<b>845,330</b>
<b>2.6 Investments</b>		
In Government Securities	10,145	4,953
<b>Total</b>	<b>10,145</b>	<b>4,953</b>
<b>2.7 Cash and Cash Equivalents</b>		
Balances with Banks		
On Current Accounts		
Chase Bank Checking (3097)	10,130,351	6,925,011
Chase Bank Checking (9183)	305,498	47,527
Wells Fargo Checking (6076)	10,002	10,000
Fidelity Cash	0.66	5,005
Cash on Hand	-	-
<b>Total</b>	<b>10,445,852</b>	<b>6,987,542</b>
<b>2.8 Loans and Advances</b>		
Loans Receivable Considered Good, Unsecured		
Urbini Miami Beach Partners	-	1,000,000
<b>Total</b>	<b>-</b>	<b>1,000,000</b>
<b>2.9 Other Financial Assets</b>		
Security Deposits	25,000	8,500
Accrued Interest	-	16,600
<b>Total</b>	<b>25,000</b>	<b>25,100</b>
<b>2.10 Other Current Assets</b>		
Prepaid Expenses	-	17,000
Advances to Suppliers	-	25,000
	<b>-</b>	<b>42,000</b>

MICL Global INC. (Consolidated)

Notes to Consolidated Financial Statements as at March 31, 2023

	(Amount in USD)	
	As at March 31, 2023	As at March 31, 2022
<b>2.11 Equity Share Capital</b>		
Authorised		
3,000,000 (March 31, 2022: 950,000) of Equity Shares of USD 10 each	300,000,000	9,500,000
Issued, Subscribed and fully paid up		
2,450,000 (March 31, 2022: 950,000) of Equity Shares of USD 10 each fully paid	24,500,000	9,500,000
<b>Total</b>	<b>24,500,000</b>	<b>9,500,000</b>

(a) Reconciliation of number of shares outstanding	As at March 31, 2023		As at March 31, 2022	
	No of Shares	Amount (in INR)	No. of Shares	Amount (in INR)
<b>Equity Shares</b>				
At the beginning of the year	950,000	9,500,000	2,500	25,000
Movements for the year	1,500,000	15,000,000	947,500	9,475,000
<b>At the end of the year</b>	<b>2,450,000</b>	<b>24,500,000</b>	<b>950,000</b>	<b>9,500,000</b>

(b) Details of shareholders holding more than 5% shares in the Company	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
<b>Name of the Shareholder</b>				
1. Man Infraconstruction Limited	2,450,000	100%	950,000	100%





MICL Global INC. (Consolidated)

Notes to Consolidated Financial Statements as at March 31, 2023

	As at March 31, 2023	As at March 31, 2022
<b>2.12 Other Equity</b>		
Retained Earnings	(702,006)	(417,955)
<b>Total</b>	<b>(702,006)</b>	<b>(417,955)</b>
	As at March 31, 2023	As at March 31, 2022
<b>2.13 Financial Liabilities</b>		
Others		
Accrued Salary	72,540	60,210
Credit card payable	28,498	27,440
Other payables	3,670	-
<b>Total</b>	<b>104,708</b>	<b>87,650</b>

*ALM*

MICL Global INC. (Consolidated)

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(Amounts in USD)

	As at March 31, 2023	As at March 31, 2022
<b>3.1 Other Income</b>		
Interest Income	11,490	-
Dividend Income	131	-
Rental Income	-	3,000
Unrealised gain from foreign currency transactions	48	-
Accrued Interest	-	16,606
Others	2	-
<b>Total</b>	<b>11,671</b>	<b>19,606</b>
<b>3.2 Cost of Materials Consumed</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Cost of Materials Consumed	586,230	-
<b>Total</b>	<b>586,230</b>	<b>-</b>
<b>3.3 Changes in inventories of work in progress</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Changes in inventories of work in progress	(1,015,447)	(138,527)
<b>Total</b>	<b>(1,015,447)</b>	<b>(138,527)</b>
<b>3.4 Employee benefits Expense</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Salaries & Wages	370,440	281,970
<b>Total</b>	<b>370,440</b>	<b>281,970</b>
<b>3.5 Subcontract / Labour Charges</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Subcontract / Labour Charges	231,355	-
<b>Total</b>	<b>231,355</b>	<b>-</b>
<b>3.5 Finance Costs</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Interest Expense	7,629	-
<b>Total</b>	<b>7,629</b>	<b>-</b>
<b>3.6 Depreciation and Amortization Expenses</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Depreciation Expenses	1,900	165
<b>Total</b>	<b>1,900</b>	<b>165</b>





MICL Global INC. (Consolidated)

Notes to Consolidated Financial Statements for the year ended March 31, 2023

3.7 Other Expenses	As at March 31, 2023	As at March 31, 2022
Bank Charges	525	1,943
Taxes & Licenses	31,889	41,392
Rent	102,500	45,800
Accounting Fee	850	6,150
Staff Welfare	5,074	8,597
Office Expenses	4,491	953
Office Supplies	7,376	2,269
Trade Show Expenses	-	7,900
Software Expenses	11,138	-
General Expenses	1,907	783
Travelling Expenses	63,263	41,290
General Utility	2,299	913
Filing Charges	945	-
Insurance Expenses	2,312	13,720
Postage & Shipping	323	1,817
Professional Charges	20,228	18,400
Electricity Expenses	1,340	456
Tree Protection & bond fee	5,008	4,100
Auditor's Remuneration	2,450	-
Surveyor Expenses	167,755	44,092
Architect Fee	-	4,400
Demolition	-	7,380
Roadfire Impact fee	-	7,669
Legal fee	-	2,798
Landscaping	-	19,740
Rounding Off Charges	-	48
Other Expenses	-	1,000
<b>Total</b>	<b>431,673</b>	<b>283,610</b>

OK

**4.01 Financial Instruments : Fair value measurements, Financial risk management and Capital management****(i) Methods and assumptions used to estimate the fair values.**

The fair values of the financial assets and liabilities are included at the amount at which the instruments can be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other receivables, other bank balances, deposits, loans, accrued interest, trade payables, receivables / payables for property, plant and equipment, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.
- The fair values of non-current assets and liabilities are measured at amortised cost and are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.
- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**(ii) Categories of Financial instruments**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: inputs which are not based on observable market data

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
<b>Measured at amortised cost</b>				
Investment in Government securities	10,145	10,145	4,953	4,953
Cash and bank balances	10,445,852	10,445,852	6,987,542	6,987,542
Loans	-	-	1,000,000	1,000,000
Other Financial Assets	25,000	25,000	25,100	25,100
<b>Total Financial Assets</b>	<b>10,480,997</b>	<b>10,480,997</b>	<b>8,017,595</b>	<b>8,017,595</b>

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Liabilities</b>				
<b>Measured at amortised cost</b>				
Other Financial Liabilities	104,708	104,708	87,650	87,650
<b>Total Financial Liabilities</b>	<b>104,708</b>	<b>104,708</b>	<b>87,650</b>	<b>87,650</b>

**(iii) Financial Risk Management**

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. The Board has adopted a Risk Management Policy. All business divisions and corporate functions have embraced Risk Management Policy and make use of it in their decision making. Risk management is an integral part of the business practices of the Company.

The Company's activities expose it to credit risk, liquidity risk and market risk. These key business risks and their mitigation are considered in day-to-day working of the Company.

**a. Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument may fluctuate because of changes in market prices. The Company has insignificant exposure to market risks as it has no debts as at the end of the reporting period.

**b. Credit Risk**

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the Company. Credit risk arises from Company's activities in investments and outstanding receivables from customers.

**c. Liquidity Risk**

Considering the fact that the Company does not have material amounts of non current assets (consist of Withholding tax credit) coupled with the fact that the services are rendered exclusively to a fellow subsidiary, the Company is not exposed to a significant liquidity risk.

**(iv) Capital Management****Risk management**

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to maximise shareholder value.

For the purpose of the Company's capital management, capital includes capital and all other equity reserves. In order to maintain or achieve a capital structure that maximises the shareholder value, the Company allocates its capital for distribution as dividend or reinvestment into business based on its long term financial plans. As at March 31, 2023, the Company has only one class of equity shares and has no debts of long term nature. Hence, there are no externally imposed capital requirements.



## 4.02 Related Party Disclosures

List of Related Parties where control exists and related parties with whom transactions have been taken place and relationship

SL No.	Name of the Related Party	Relationship	Transactions with Related Party	Subsidiaries	Holding	Associates and Joint Ventures	Key Management personnel	Relatives of Key Management Personnel	Enterprises in which Key Management Personnel and/or their relatives have Significant Influence	Total
1	Man Infraconstructions Limited	Holding Company								
2	3090 McDonald Ave LLC	Wholly Owned Subsidiary Company								
3	MICL Bayshore LLC	Joint Venture								
4	Parvat Washington LLC	Joint Venture								
5	Parvat Ponce, LLC	Joint Venture								
6	Vatsal Shah	Key Management Personnel								
7	Keshal Parekh	Key Management Personnel								
<b>Investment</b>										
	3090 McDonald Ave LLC			12,50,000	-	-	-	-	-	12,50,000
				(9,18,325)	(-)	(-)	(-)	(-)	(-)	(9,18,325)
	MICL Bayshore LLC			-	-	40,60,000	-	-	-	40,60,000
				(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Parvat Ponce LLC			-	-	24,10,000	-	-	-	24,10,000
				(-)	(-)	(-)	(-)	(-)	(-)	(-)
	Parvat Washington LLC			-	-	45,10,000	-	-	-	45,10,000
				(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Short Term Employee Benefits paid</b>										
	Vatsal Shah			-	-	-	1,29,600	-	-	1,29,600
				(-)	(-)	(-)	(61,200)	(-)	(-)	(61,200)
	Keshal Parekh			-	-	-	2,40,840	-	-	2,40,840
				(-)	(-)	(-)	(2,20,770)	(-)	(-)	(2,20,770)
<b>Capital Contribution</b>										
	Man Infraconstruction Limited			-	1,50,00,000	-	-	-	-	1,50,00,000
				(-)	(94,75,000)	(-)	(-)	(-)	(-)	(94,75,000)

\* Figures in bracket pertain to Previous Year

4.03 Previous year figures are unaudited because not required to be audited under respective governing act of such country and the same is certified by the management of the Company.

As per our report of even date  
**For G M Kapadia & Co**  
 Chartered Accountants  
 Firm Registration No. 104767W

**Atul Shah**  
 Partner  
 Membership No. 039569

Place: Mumbai  
 Date: May 08, 2023



For MICL Global INC.

**Manan P. Shah**  
 Director  
 DIN : 06500239

Place : Mumbai  
 Date: May 08, 2023