

**MADHUKAMAL INFRASTRUCTURE PRIVATE LIMITED  
(FORMERLY KNOWN AS ESSEM INFRA PRIVATE LIMITED)  
(Subsidiary of Ganesh Housing Corporation Limited)**

**CIN: U45200GJ2015PTC082484**

**6<sup>TH</sup> ANNUAL REPORT  
2019-2020**

**MADHUKAMAL INFRASTRUCTURE PRIVATE LIMITED**  
**(FORMERLY KNOWN AS ESSEM INFRA PRIVATE LIMITED)**

**BOARD OF DIRECTORS** : Mr. Dipakkumar G. Patel - Chairman (DIN: 00004766)  
Mr. Shekhar G. Patel - Director (DIN: 00005091)  
Mr. Ashish H. Modi - Director (DIN: 02506019)

**AUDIT COMMITTEE** : Mr. Shekhar G. Patel - Chairman (DIN: 00005091)  
Mr. Dipakkumar G. Patel - Director (DIN: 00004766)  
Mr. Ashish H. Modi - Director (DIN: 02506019)

**NOMINATION AND REMUNERATION COMMITTEE** : Mr. Shekhar G. Patel - Chairman (DIN: 00005091)  
Mr. Dipakkumar G. Patel - Director (DIN: 00004766)  
Mr. Ashish H. Modi - Director (DIN: 02506019)

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE** : Mr. Dipakkumar G. Patel - Chairman (DIN: 00004766)  
Mr. Shekhar G. Patel - Director (DIN: 00005091)  
Mr. Ashish H. Modi - Director (DIN: 02506019)

**AUDITORS** : M/s. Purnesh R Mehta & Co  
Chartered Accountants  
Ahmedabad

**REGISTERED OFFICE** : Ganesh Corporate House  
100 ft. Hebatpura – Thaltej Road,  
Nr. Sola Bridge,  
Off S. G. Highway, Thaltej,  
Ahmedabad – 380 054

**BANKER** : Tamilnad Mercantile Bank Ltd  
Axis Bank Ltd.

**MADHUKAMAL INFRASTRUCTURE PRIVATE LIMITED**  
**(FORMERLY KNOWN AS ESSEM INFRA PRIVATE LIMITED)**  
**CIN: U45200GJ2015PTC082484**

**DIRECTORS' REPORT**

To,  
The Members of  
Madhukamal Infrastructure Private Limited  
(Formerly known as Essem Infra Private Limited)

Dear Members,

Your Directors are pleased to present the Sixth Annual Report together with the Statement of Accounts for the year ended at 31<sup>st</sup> March, 2020.

**FINANCIAL HIGHLIGHTS:**

**( In Rs.)**

<b>PARTICULARS</b>	<b>Year Ended 31/03/2020 Amount</b>	<b>Year Ended 31/03/2019 Amount</b>
Total Income	2697010766	1853032828
Total Expenditure	(3328454041)	(2200735197)
Profit /(Loss) before tax	(631443275)	(347702369)
Provision for tax	(24748891)	0
Provision for Deferred Tax	79111419	501699474
Profit /(Loss) after Tax	(577080747)	153997105
<b>Add:</b> Opening Balance of Profit & Loss A/c	(723973623)	227529742
Profit /(Loss) transferred to Balance Sheet	(130154370)	(723973623)

**STATE OF COMPANYS' AFFAIRS:**

The Company has launched two (2) projects namely, Maple Tree and Maple Trade Centre for construction of Residential Apartments, Shops and Commercial Offices near Surdhara Circle, SAL Road, Ahmedabad for which Building Use Permission has been issued by the Concerned Authority. The Company has started the process of handing over the possession of units to the allottees.

**CHANGE OF NAME**

The name of the company has been changed from Essem Infra Private Limited to "Madhukamal Infrastructure Private Limited" pursuant to Certificate of Incorporation pursuant to change of name issued by Registrar of Companies, Ahmedabad w.e.f 29<sup>th</sup> June 2020.

**EXTRACT OF ANNUAL RETURN**

As per Section 134(3)(a) of Companies Act, 2013 as amended by clause (b)(i) of section 36 of the Companies (Amendment) Act, 2017 (1 of 2018) which was notified vide S.O. 3838(E) of 3rd January, 2018, the Company is required to include the web address, if any, where annual return referred to in sub-section (3) of section 92 has been placed.

However, revision in sub-section (3) of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is yet to be notified. Further, the Company has no web address.

Extract of Annual Return of the Company is annexed herewith as **Annexure A** to this Report.

#### **DETAILS OF BOARD MEETINGS**

During the year under review, Five (5) Board Meetings were held.

<b>Sr. No</b>	<b>Date of Meeting</b>	<b>No of Directors attended</b>
1	10/04/2019	3
2	23/05/2019	3
3	05/08/2019	3
4	15/11/2019	3
5	17/01/2020	3

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provision contained in Section 134(5) of the Companies Act, 2013, the Directors of your Company state that:

- a) in the preparation of the annual accounts for the financial year 31st March, 2020 the applicable accounting standards had been followed. There are no material departures in the adoption of the applicable Accounting Standards;
- b) the Directors have selected such appropriate accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a "going concern" basis;
- e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **HOLDING COMPANY**

Ganesh Housing Corporation Limited is the holding company and holds 100% of the total paid up Equity share capital of the Company

#### **REDEMPTION OF UNLISTED SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES**

During the year under review the Company has redeemed 55,67,000 Unlisted Secured Redeemable Non-Convertible Debentures of the face value of Rs. 100/- each.

## **PARTICULAR OF LOANS, INVESTMENTS AND GUARANTEES UNDER SECTION 186 OF COMPANIES ACT, 2013**

The Company has not made any Investments in the Securities of any body corporate and has also not provided any guarantee or security in connection with the loan to any body corporate or person. Further, particulars of loans given for business purpose are stated in financial statement. Please refer to note no. 7 of the Notes forming part of accounts for the same.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

During the year under review there were contracts or arrangements with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013. All related party transactions entered were in the ordinary course of business and on arm's length basis provided in detailed under Section 134(3) (h) of the Companies Act, 2013 except disclosed under Form AOC-2 as **Annexure B** and forms part of this Annual Report.

Further, there were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered into by the Company in the normal course of business are periodically placed before the Audit Committee for review.

Members may refer to the note no. 37 to the accounts for details of related party transactions entered as per Indian Accounting Standard – 24. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder.

## **DIVIDEND AND TRANSFER TO RESERVES**

In view of losses, your directors do not recommend any dividend for the financial year 2018-19. Further as the Company has not recommended any dividend for the year under review, no amount has been transferred to the General Reserves.

During the year under review, your Company has redeemed the Unlisted Secured Redeemable Non-Convertible Debentures and accordingly, the balance of Debenture Redemption Reserve has been transferred to General Reserve. (Refer Note No. 11)

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The provisions of Section 134 (3) (m) of the Companies Act-2013 read with Rule 8(3) of Companies (Accounts) Rules 2014 do not apply to our Company as the Company has not carried out any activities relating to conservation of energy and technology absorption. The Particulars regarding foreign exchange earnings and outgo as required to be disclosed in this regard is NIL.

## **RISK MANAGEMENT POLICY**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

## INTERNAL FINANCIAL CONTROL

The Company has in place Internal Financial Control system, with respect to financial statement commensurate with size and complexity of its operations to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances.

During the year under review, no material or serious observation has been observed by the directors for inefficiency or inadequacy of such controls.

## DETAILS OF DIRECTOR

Mr. Dipakkumar G Patel, Director of the company will retire by rotation at the ensuing Sixth coming Annual General Meeting and being eligible has offered himself for re-appointment.

The Company has received a declaration from the Independent Director of the Company which was placed at the first meeting of Board of Directors of the Company held for the financial year 2020-2021.

The Company is not required to appoint any Key Managerial Personnel as per Companies Act, 2013.

## AUDIT COMMITTEE

The Board of Directors of the Company had constituted Audit Committee at its meeting held on 20th December, 2017. The composition of Audit Committee ("the Committee") is as follows:

1. Mr. Shekhar G. Patel - Chairman (DIN: 00005091)
2. Mr. Dipakkumar G. Patel - Director (DIN: 00004766)
3. Mr. Ashish H. Modi - Director (DIN: 02506019)

All the recommendations made by the Audit Committee were accepted by the Board.

## NOMINATION AND REMUNERATION COMMITTEE AND POLICY

The Board of Directors of the Company had constituted Nomination and Remuneration Committee at its meeting held on 20th December, 2017. The composition of Nomination and Remuneration Committee ("the Committee") is as follows:

1. Mr. Shekhar G. Patel - Chairman (DIN: 00005091)
2. Mr. Dipakkumar G. Patel - Director (DIN: 00004766)
3. Mr. Ashish H. Modi - Director (DIN: 02506019)

The policy of the company on directors appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is appended as **Annexure C** to the Board's report. We affirm that during the year under review, no remuneration has been paid to the directors of the company.

## CORPORATE SOCIAL RESPONSIBILITY

The Board of Directors of the Company had constituted Corporate Social Responsibility Committee at its meeting held on 20th December, 2017. The constitution of CSR Committee is as under:

1. Mr. Dipakkumar G. Patel - Chairman (DIN : 00004766)
2. Mr. Shekhar G. Patel - Director (DIN : 00005091)
3. Mr. Ashish H. Modi - Director (DIN : 02506019)

The CSR Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company as specified under Schedule VII of Companies Act, 2013, which has been approved by the Board.

The annual report on our CSR activities is annexed herewith as **Annexure D**.

#### **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, the Statutory Auditor, have not reported any instances of frauds committed in the Company to the Board under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

#### **DETAILS OF AUDITORS**

##### Statutory Auditor:

M/s. Purnesh R. Mehta & Co., Chartered Accountants, Ahmedabad (Firm Registration No. 14283OW) were appointed as Statutory Auditors of the Company to hold office till the conclusion of 10th Annual General Meeting of the Company to be held in the Calendar year 2024.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

##### Cost Auditor:

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost records and audits) Rules, 2014, as amended, Construction Industry is required to include Cost Records in their books of accounts covered from the financial years commencing on or after 1st April, 2014. Further, as per the said rules, the Company is required to get its cost records audited by the Practicing Cost Accountant. Accordingly, the Board of Directors at their meeting held on 23rd May, 2019 appointed M/s J. B. Mistri & Co., Cost Accountants, Ahmedabad, as Cost Auditors for auditing the cost records of your Company for the year ended 31st March, 2020.

##### Secretarial Auditor::

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) (Amendment), Regulations, 2018, your Company is a material subsidiary of Ganesh Housing Corporation Limited. For your Company it is compulsory to carry out Secretarial Audit by a qualified Practicing Company Secretary. Hence, your Company had appointed Mr. Anand Lavingia, Practicing Company Secretary [COP No. 11410] to carry out Secretarial Audit of the financial year 2019 – 2020 at a duly conveyed meeting of the Board held on 23<sup>rd</sup> May, 2019. The detailed report on the same is appended as an **Annexure E** to the Report. There has been no qualification, reservation or adverse remark given by Secretarial Auditor of the Company.

#### **DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDERESSAL) ACT, 2013**

As the Company is not having any employees, the disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made there under or any other guidelines made there under is not Applicable.

## COMPLIANCE OF SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

### GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items or the same were not applicable to the Company during the year under review:

1. The Company does not have any Subsidiary, Joint venture or Associate Company.
2. The Company has neither accepted nor renewed any deposits during the year under review.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. No material changes and commitments affecting Financial Position of the Company have taken place after completion of the financial period up to the date of this report which may have substantial effect on business and finances of the company and which are required to be disclosed in this Report.
5. During the year under review, there was no employee in receipt of salary for whom information as per Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is required to be given in the Directors' Report.

### APPRECIATION

Your Directors wish to place on record their appreciation for the co-operation and continued support extended to the Company by all Government Authorities, Bankers and Shareholders.

**On behalf of the Board of Directors**



**Dipakkumar G. Patel**

**Chairman**

**[DIN: 00004766]**

**Place: Ahmedabad**

**Date: 17/07/2020**



**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014

**I REGISTRATION & OTHER DETAILS:**

i	CIN	U45200GJ2015PTC082484
ii	Registration Date	04-03-2015
iii	Name of the Company	MADHUKAMAL INFRASTRUCTURE PRIVATE LIMITED (FORMERLY KNOWN AS ESSEM INFRA PRIVATE LIMITED)
iv	Category/Sub-category of the Company	Company Limited by Shares India Non-Government Company
v	Address of the Registered office & contact details	Ganesh Corporate House, 100 Feet Hebatpura – Thaltej Road, Near Sola Bridge, off S.G. Highway, Thaltej, Ahmedabad - 380054 Gujarat (O): 079 61608888
vi	Whether listed company	NO
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MCS SHARE TRANSFER AGENT LTD 12/1/5, MANOHARPURKAR ROAD, KOLKATTA 700026. Email:mcsstaahmd@gmail.com mcssta@rediffmail.com

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Construction of Buildings	4100	100

**III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	GANESH HOUSING CORPORATION LIMITED	L45200GJ1991PLC015817	HOLDING	100%	Section 2 (87) of the Companies Act, 2013



<b>(2) Non Institutions</b>									
a) Bodies corporates	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs	0	0	0	0	0	0	0	0	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>15000</b>	<b>0</b>	<b>15000</b>	<b>100</b>	<b>15000</b>	<b>0</b>	<b>15000</b>	<b>100</b>	<b>0</b>

**(ii) SHARE HOLDING OF PROMOTERS**

Name of Shareholders	Shareholding at the beginning of the year i.e 01/04/2019			Shareholding at the end of the year i.e 31/03/2020			% change in share holding during the year
	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
Ganesh Housing Corporation Limited	14990	99.93	100	14990	99.93	100	0
Shekhar G Patel as a Nominee of Ganesh Housing Corporation Limited	10	0.07	100	10	0.07	100	0
<b>Total</b>	<b>15000</b>	<b>100</b>	<b>100</b>	<b>15000</b>	<b>100</b>	<b>100</b>	<b>0</b>

(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Sl. No.	Particulars	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	<b>Ganesh Housing Corporation Limited</b>				
	At the beginning of the year	14990	99.93	14990	99.93
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/ sweat equity etc)	There was no change shareholding during the year under review.			
	At the end of the year	14990	99.93	14990	99.93
2	<b>Shekhar G Patel as a Nominee of Ganesh Housing Corporation Limited</b>				
	At the beginning of the year	10	0.07	10	0.07
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/ sweat equity etc)	There was no change shareholding during the year under review.			
	At the end of the year	10	0.07	10	0.07

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	<b>Not Applicable</b>			
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year				

(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
<b>1</b>	<b>DIPAKKUMAR G PATEL</b>				
	At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There was no change shareholding during the year under review.			
	At the end of the year	0	0	0	0
<b>2</b>	<b>SHEKHAR G PATEL</b>				
	At the beginning of the year	0			
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There was no change shareholding during the year under review.			
	At the end of the year	10	0.07	10	0.07
<b>3</b>	<b>ASHISH H MODI</b>				
	At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There was no change shareholding during the year under review.			
	At the end of the year	0	0	0	0

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2806645594	2914391160	0	5721036754
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>2806645594</b>	<b>2914391160</b>	<b>0</b>	<b>5721036754</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	319418578	278210009	0	597628587
Reduction	1030133693	491973000	0	1522106693
<b>Net Change</b>	<b>-710715115</b>	<b>-213762991</b>	<b>0</b>	<b>-924478106</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2095930479	2700628169	0	4796558648
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>2095930479</b>	<b>2700628169</b>	<b>0</b>	<b>4796558648</b>

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:			
Sl. No	Particulars of Remuneration	Name for the MD/WTD/Manager	Total Amount
	<b>Gross salary</b>	<i>Not Applicable</i>	
	(a) Salary as per		
	(b) Value of perquisites		
	(c) Profits in lieu of		
2	Stock option		
3	Sweat Equity		
4	Commission		
	as % of profit		
	others (specify)		
5	Others, please specify		
	<b>Total (A)</b>		
	<b>Ceiling as per the Act</b>		

**B. Remuneration to other directors:**

Sl.No	Particulars of Remuneration	Name of the Directors	Total Amount
1	Independent Directors	NIL	
	(a) Fee for attending board committee		
	(b) Commission		
	(c) Others, please specify		
	<b>Total (1)</b>		
2	Other Non Executive Directors		
	(a) Fee for attending		
	(b) Commission		
	(c) Others, please specify.		
	<b>Total (2)</b>		
	<b>Total (B)=(1+2)</b>		
	<b>Total Managerial Remuneration</b>		
	<b>Overall Cieling as per the Act.</b>		

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary	Not Applicable			
	(a) Salary as per provisions contained in				
	(b) Value of perquisites u/s 17(2) of the				
	(c) Profits in lieu of salary under section				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	as % of profit				
	others, specify				
5	Others, please specify				
	<b>Total</b>				

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			Not Applicable		
Punishment					
Compounding					

Place : Ahmedabad  
Date : 17/07/2020

On behalf of Board of Directors

*Dipali*

Dipakkumar G. Patel  
Chairman  
DIN : 00004766



## Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

**1. Details of contracts or arrangement or transactions not at arm's length basis**

(a) Name(s) of the related party and nature of relationship:	<b>Not Applicable</b>
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	
(e) Justification for entering into such contracts or arrangements or transactions:	
(f) Date(s) of approval by the Board, if any:	
(g) Amount paid as advances, if any:	
(h) Date on which the resolution was passed in general meeting as required under first proviso to Section 188:	

**2. Details of material contracts or arrangement or transactions at arm's length basis**

**A.**

Particulars	Details
(a) Name(s) of the related party and nature of relationship:	Name of related party: A Mody Construction Co. Nature of Relation: Firm in which Director viz. Mr. Ashish H. Modi is interested
(b) Nature of contracts/arrangements/transactions	Arrangement or transactions entered into in Ordinary Course of business for purpose of Labour and Work Contract (i.e relating to Road Construction) near the project location of the Company
(c) Duration of the contracts / arrangements/transactions	As per the exigencies of business
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	For different items rate per unit is fixed for F.Y 2019 – 2020. Total Value approved by the Audit Committee by way of omnibus approval is Rs. 1 Crore
(e) Justification for entering into such contracts or arrangements or transactions:	To Carry out Labour and Work Contract (i.e relating to Road Construction) near the project location of the Company as and when required.
(e) Date(s) of approval by the Board, if any:	Not Applicable
(f) Amount paid as advances, if any:	Not Applicable

**B.**

Particulars	Details
(a) Name(s) of the related party and nature of relationship:	Name of related party: Homelab Designs Pvt Ltd. Nature of Relation: Company in which Directors viz. Mr. Dipakkumar G. Patel and Mr. Shekhar G. Patel are interested
(b) Nature of contracts/arrangements/transactions	Arrangement or transactions entered into in Ordinary Course of business for purpose of Site Maintenance of the projects
(c) Duration of the contracts / arrangements/transactions	As per the exigencies of business
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	For different items rate per unit is fixed for F.Y 2019 – 2020. Total Value approved by the Audit Committee by way of omnibus approval is Rs. 1 Crore

(e) Justification for entering into such contracts or arrangements or transactions:	To Carry out Site Maintenance of the projects
(e) Date(s) of approval by the Board, if any:	Not Applicable
(f) Amount paid as advances, if any:	Not Applicable

For & on behalf of Board of Directors



Dipakkumar G. Patel  
Chairman  
[DIN : 00004766]

Date : 17/07/2020  
Place : Ahmedabad

**ESSEM INFRA PRIVATE LIMITED**

**NOMINATION  
AND  
REMUNERATION  
POLICY**

Corporate Identification Number [CIN]: U45200GJ2015PTC082484  
Registered Office: Ganesh Corporate House, 100 Feet Hebatpura Thattej Road,  
Near Sola Bridge, Off S. G. Highway, Thattej, Ahmedabad 380 054

**1. INTRODUCTION:**

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and senior management personnel of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013, this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated and recommended by the Committee and approved by the Board of Directors.

**2. OBJECTIVE AND PURPOSE OF THE POLICY:**

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size, financial position and trends and practices on remuneration prevailing in peer companies and also in the real estate industry.
- To carry out periodic evaluation of the performance of Directors, Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To attract, retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on 8<sup>th</sup> January, 2016.

**3. EFFECTIVE DATE:**

This policy shall be effective from 8<sup>th</sup> January, 2016.

## ESSEM INFRA PRIVATE LIMITED

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### CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE:

The Board had constituted Nomination and Remuneration Committee at its meeting held on 8<sup>th</sup> January, 2016. The Nomination and Remuneration Committee comprises of following Directors:

Sr. No.	Name	Position	Category
1.	Mr. Shekhar G. Patel	Chairman	Director
2.	Mr. Dipakkumar G. Patel	Member	Director
3.	Mr. Ashish H. Modi	Member	Independent Director

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

#### 4. DEFINITIONS:

- **"Act"** means Companies Act, 2013
- **"Board"** means Board of Directors of the Company.
- **"Director"** means Directors of the Company.
- **"Committee"** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time.
- **"Company"** means ESSEM INFRA PRIVATE LIMITED
- **"Independent Director"** means a director referred to in Section 149(6) of the Companies Act, 2013.
- **"Key Managerial Personnel" (KMP)** means-
  - (i) Managing Director;
  - (ii) Chief Executive Officer;
  - (iii) Manager;
  - (iv) Whole-time Director;
  - (v) Company Secretary;
  - (vi) Chief Financial Officer

## ESSEM INFRA PRIVATE LIMITED

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(vii) Such other officer as may be prescribed under the applicable statutory provisions / regulations.

- “Senior Management” means personnel’s of the Company occupying the position of one level below the Board. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

### 5. APPLICABILITY:

The Policy is applicable to all:

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management

### 6. GENERAL:

- This Policy is divided in three parts:  
Part – A covers the matters to be dealt with and recommended by the Committee to the Board;  
Part – B covers the appointment and nomination and  
Part – C covers remuneration and perquisites etc.
- The key features of this Company’s policy shall be included in the Board’s Report.

#### **PART – A:- Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial Personnel and Senior Management positions in accordance with the criteria laid down in this policy.

## ESSEM INFRA PRIVATE LIMITED

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- Recommend to the Board, appointment and removal of Director, KMP and Senior Management.

### PART – B: - Policy for appointment and removal of Director, KMP and Senior Management

#### **(a) Appointment criteria and Qualifications:**

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director or Manager who has attained the age of seventy years.

Provided that where any person has attained the age of seventy years and where his appointment or reappointment is approved by passing a special resolution in the General Meeting based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years. In any other case the same shall be approved by Central Government.

#### **(b) Term / Tenure:**

##### 1. Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director or Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

##### 2. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years from cessation of Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

**(c) Evaluation:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

**(d) Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**(e) Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company, if any. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.



**PART – C: - Policy relating to the remuneration for the Managing Director, Whole-Time Director, KMP and Senior Management**

**(a) General:**

1. The committee will determine and recommend to Board the remuneration / compensation / commission etc. to the Managing Director, Whole-time Director, KMP and Senior Management Personnel for approval. The remuneration/compensation/ commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to the Managing Director or Whole-time Director shall be in accordance with the limits or conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder as amended from time to time.
3. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director or Whole-time Director. Increments will be effective from the date mentioned in the respective resolutions in case of a Managing Director and Whole-time Director and 1st April in respect of other employees of the Company.
4. Where any insurance is taken by the Company on behalf of its Managing Director, Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**(b) Remuneration to Whole-time Director, Managing Director/ Manager, KMP and Senior Management:**

**1. Fixed pay:**

The Managing Director/Manager, Whole-time Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be

## ESSEM INFRA PRIVATE LIMITED

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approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to provident fund, superannuation or annuity fund, gratuity, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director or Whole-time Director or manager in accordance with the provisions of Section 11 of Part II of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

3. Provisions for excess remuneration:

If any Managing Director or Whole-time Director or manager draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

4. Stock Options:

In case, Managing Director/Manager, Whole-time Director, Company Secretary and Chief Financial Officer, are not being Promoter Director or Director holding either himself or along with his relatives more than 10% of equity shares of the company or Independent Director, they shall be entitled to any stock options of the Company as qualified by the normal employees of the Company. Provided the same shall be subject to the Companies Act, 2013 and rule 12 of Companies (Share Capital and Debentures Rules, 2014)

Senior Management Personnel shall be eligible for stock options as normal employees of the Company.

(c) Remuneration to Non- Executive / Independent Director:

1. Remuneration / Commission:

The remuneration / commission shall be fixed as per the limits and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. The sitting fees shall be decided by the Board of Directors of the Company at its meeting where quorum consists of disinterested directors. In case all the directors are interested, the same shall be decided by the Resolution passed by the Members of the Company.

Provided that the amount of such fees shall not exceed Rupees One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

**ANNUAL REPORT ON  
CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

1. A Brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken :

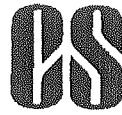
The main objective of CSR policy involve the ideas of corporate governance, sustainable wealth creation, corporate philanthropy and advocacy for the goals of the community. The projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013 as amended from time to time. The Company has framed its CSR Policy in compliance with the provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time.

2. Composition of CSR Committee: Mr. Dipakkumar G. Patel, Chairman; Mr. Shekhar G. Patel, Mr. Ashish H. Modi, Member
3. Average net profit of the Company for last three financial years: Rs. 27,95,917/-
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Rs. 55,918/-
5. Details of CSR spend for the financial year:
- a) Total amount to be spent for the financial year: Rs. 55,918/-
- b) Amount unspent, if any: Nil
- c) Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
Sr. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local area or other (2) Specify the State and District where Projects or Programs was undertaken	Amount Outlay (budget) Project or Programs wise (Rs.)	Amount Spent on the Projects or Programs Sub-heads: (1) Direct Expenditure (2) Overheads (Rs.)	Cumulative expenditure up to the reporting period (Rs. )	Amount Spent: Direct or through implementation agency*
1.	Promotion of health care and sanitation	Promotion of health care and sanitation	Gujarat, Ahmedabad	55,918/-	56,000/-	56,000/-	Agency

\* Govindbhai C Patel Foundation

6. In case the Company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report: Not Applicable



# Anand Lavingia

ACS, LLM, LL.b(Spl.), B.Com.  
Practicing Company Secretary

## SECRETARIAL AUDIT REPORT

Form No. MR-3

For the financial year ended March 31, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,

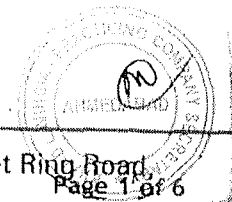
**MADHUKAMAL INFRASTRUCTURE PRIVATE LIMITED**

Ganesh Corporate House, 100 Feet Hebatpur - Thaltej Road,  
Near Sola Bridge, Off. S.G. Highway, Thaltej  
Ahmedabad - 380 054

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MADHUKAMAL INFRASTRUCTURE PRIVATE LIMITED** (formerly known as **ESSEM INFRA PRIVATE LIMITED**) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that, in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:



Office No. 415-416, 4th Floor, Pushpam Complex, Opp. Seema Hall, 100 Feet Ring Road,  
Satellite, Ahmedabad-380 051. Gujarat, India

O/Fax : 079-40051702 M.: 91 94270 49481 Email : krishvadvisory@gmail.com



# Anand Lavingia

ACS, LL.M, LL.B(Spl.), B.Com.  
Practicing Company Secretary

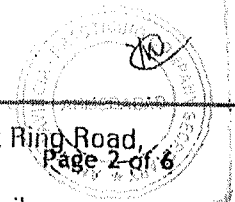
- i. The Companies Act, 2013 ('the Act') and the rules made there under as applicable;
- ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iii. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and circulars/ guidelines/Amendments issued there under;
- iv. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars/ guidelines/Amendments issued there under to the extent of Regulation 24 and 24A; and
- v. Applicable clauses of Revised Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules made there under, Regulations, Guidelines etc. mentioned above.

Further company being engaged in the business of Construction, there are few specific applicable acts/rules to the Company, which requires approvals or compliances under the respective acts/rules, as list out in the Annexure A. We have relied on the representation made by the Company and its officers, agents and authorized representatives for system and mechanism framed by the Company for compliances of the said specific acts/rules.

During the Period under review, provisions of the following Acts, Rules, Regulations and Standards were not applicable to the Company,

- i. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- ii. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and circulars/ guidelines/Amendments issued there under;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and circulars/ guidelines/Amendments issued there under;





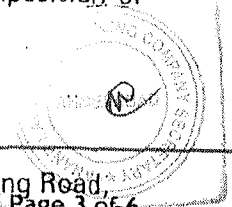
# Anand Lavingia

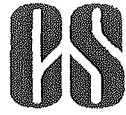
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Practicing Company Secretary

- c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and circulars/ guidelines/Amendments issued there under;
  - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars/ guidelines/Amendments issued there under except Regulation 24 and 24A; and
  - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and circulars/ guidelines/Amendments issued there under.
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - the Company is not registered as Registrar to an Issue & Share Transfer Agent. However, the Company has appointed MCS Share Transfer Agent Limited as Registrar & Share Transfer Agent as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and circulars/ guidelines/Amendments issued there under;
  - h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and circulars/ guidelines/Amendments issued there under; and
  - i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 and circulars/ guidelines/Amendments issued there under; and
- iii. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Director. No changes took place in the composition of





# Anand Lavingia

ACS, LL.M, LL.B(Spl.), B.Com.  
Practicing Company Secretary

the Board of Directors except re-appointment of director liable to retire by rotation which was carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**I further report that -**

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that -**

Since the company has not commenced any new projects during the audit period, it does not require any approval under Real Estate (Regulations and Development) Act, 2016.

Place: Ahmedabad

Signature:



Date: 15/07/2020

Name of Practicing Company Secretary: Anand Lavingia

ACS No. : 26458

C P No. : 11410

UDIN: A026458B000458703

**Note:** This Report is to be read with Annexure A and my letter of even date which is annexed as Annexure B and both Annexure form integral part of this report.



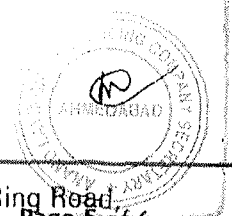


## Annexure A

### List of major Specific Acts/Rules applicable to the Company

1. The Gujarat Town Planning and Urban Development Act, 1976
2. The Environment (Protection) Act, 1986
3. The Gujarat Land Revenue Code, 1879
4. The Gujarat Tenancy & Agricultural Lands Act, 1948
5. The Registration Act, 1908
6. The Indian Stamp Act, 1899
7. The Transfer of Property Act, 1882
8. The Gujarat Stamp Act, 1958
9. The Gujarat Ownership Flats Act, 1973
10. The Indian Contract Act, 1872
11. The Contract Labour (Regulation and Abolition) Act, 1970
12. The Gujarat Shops and Establishments Act, 1948
13. The Building and other construction worker (Regulation of Employment and Conditions of Services) Act, 1996
14. The Real Estate (Regulation and Development) Act, 2016
15. Gujarat Real Estate (Regulation and Development) (Matters Relating to the Real Estate Regulatory Authority) Rules, 2016
16. The Gujarat Real Estate (Regulation and Development) (General) Rules, 2017 and Notifications, Circulars, Orders issued there under

\*\*\*\*\*





**Anand Lavingia**

ACS, LLM, LL.B(Spl.), B.Com.

Practicing Company Secretary

Annexure B

To,  
The Members,

**MADHUKAMAL INFRASTRUCTURE PRIVATE LIMITED**

Ganesh Corporate House, 100 Feet Hebatpur - Thaltej Road,  
Near Sola Bridge, Off. S.G. Highway, Thaltej  
Ahmedabad - 380 054

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis, on the records and documents provided by the Management of the Company, to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.
5. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad

Date: 15/07/2020

Signature:

Name of Practicing Company Secretary: Anand Lavingia

ACS No. : 26458

C P No. : 11410

UDIN: A026458B000458703



7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**For Madhukamal Infrastructure Private Limited  
(Formerly known as Essem Infra Private Limited)**



**Shekhar G Patel  
Director  
[DIN:0005091]**

**For and on behalf of  
the Corporate Social Responsibility Committee of  
Madhukamal Infrastructure Private Limited  
(Formerly known as Essem Infra Private Limited)**



**Dipak Kumar G Patel  
Chairman of the Committee  
[DIN:00004766]**

 **PURNESH R. MEHTA & CO.**  
CHARTERED ACCOUNTANTS

B – 705, 7<sup>TH</sup> FLOOR NIRMAN COMPLEX, OPP: HAYMOR RE STAURANT,  
NAVRANGPURA, AHMEDABAD – 380 009. PHONE: 2656394-9, 26569093  
E-mail: jvparikh@yahoo.com

**INDEPENDENT AUDITORS' REPORT**

TO THE MEMBERS OF:  
ESSEM INFRA PRIVATE LIMITED,

**Opinion**

We have audited the accompanying financial statements of ESSEM INFRA PRIVATE LIMITED (“the company”), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including other Comprehensive Income), the Cash Flow Statement and the statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “financial statement”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

**Basis for opinion**

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

**Emphasis of Matter**

We draw attention to Note no. 40 to the Financial Statement which describe the uncertainties and the management’s assessment of the financial impact due to lock-down and other restrictions and conditions related to COVID-19 pandemic situation for which a definitive assessment of the impact in subsequent period is highly dependent on future economic development and circumstances as they evolve.

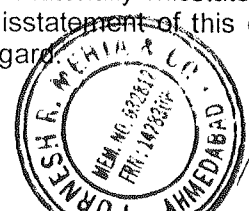
Our opinion is not modified in respect of this matter.

**Other information**

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

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

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



### **Management's responsibility for the financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the 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) specified under section 133 of the Act, read with relevant rules issued there under. 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 judgments and estimates that are reasonable and prudent; and design implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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.

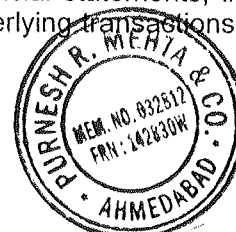
Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

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

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

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



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.

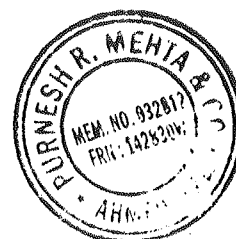
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

On account of the COVID-19 related lockdown restriction, Management was not able to perform the year end physical verification of Inventories. Consequently, we have performed alternative audit performance to audit existence of inventory as per guidance provided in SA 501 "Audit Evidence- Specific consideration to Selected items" which includes cyclical counts performed by the management during the year, roll forward procedures and their supporting documents relating to purchases, production and sales and have obtained sufficient audit evidence to issued our unmodified opinion on these financial results.

#### **Report on other legal and regulatory requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the Annexure – A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and beliefs were necessary for the purposes of our audit;
  - b. In our opinion proper books of accounts as required by Law have been kept by the Company so far as it appears from our examinations of those books;
  - c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules issued there under;
  - e. On the basis of written representations received from the directors as on 31st March, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure – B.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, the clause is not applicable, as the section 197(16) of the Act, is dealing with remuneration to its directors as no remuneration has been paid to any director during the year under review.



- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. There are no litigations by or against the company as at 31st March, 2020 and hence, shall have no effect on its financial position in its financial statements.
  - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund by the company.

PLACE:- AHMEDABAD  
DATE :- 23/06/2020



FOR, PURNESH R. MEHTA & CO.  
CHARTERED ACCOUNTANTS  
FRN:- 142830W

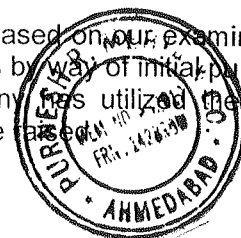
*PR Mehta*  
PURNESH MEHTA  
PROPRIETOR  
MEMBERSHIP NO.:- 032812  
UDIN: 20032812AAAABP5918

**PURNESH R. MEHTA & CO.**  
**CHARTERED ACCOUNTANTS**  
7th Floor, B/705, Alkapuri Complex,  
Opp. Havmor Restaurant,  
Navrangpura, Ahmedabad-9.

ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
ESSEM INFRA PRIVATE LIMITED,

Referred to in paragraph (1) under the heading of "Report on Other Legal and Regulatory requirements" of our Report of even date to the financial statements of the company for the year ended 31<sup>st</sup> March, 2020:

- (i) The Company does not have any fixed assets. Accordingly, clauses 3(i)(a), 3(i)(b) & 3(i)(c) of the order are not applicable to the Company.
- (ii) The company is accounting a construction project being built by it, as inventory. There is a continuous monitoring of the construction project. Hence, the question of physical verification of the project does not arise. In case of Inventory of Raw materials, it has been physically verified during the year by the management. The inventory shown in the accounts is in the nature of various construction projects. Hence, normal inventory records associated with manufacturing companies are not being kept. However, the company is maintaining the necessary records to our satisfaction. No discrepancies were noticed on verification between the physical stocks and book records.
- (iii) The company has not granted any loan to company, limited liability partnership, firm and other party covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly clauses 3(iii)(a), 3(iii)(b) & 3(iii)(c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 with respect to the loans, guaranties, securities and investments made.
- (v) The company has not accepted any deposit from public as per the provisions of sections 73 to 76 of the Companies Act, 2013. Accordingly, Clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the company pursuant to the rules made by the Central Government of India under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)
  - (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other statutory dues with the appropriate authorities have been generally regularly deposited.  
  
According to the information and explanations given to us no other undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2020 for a period of more than six months from the date of becoming payable.
  - (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Valued Added Tax and Cess, which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us by the management and based on our examination of the records of the company, the outstanding repayment to a financial institution at the end of the financial year have been paid by the date of our audit report. The company has not borrowed any money from a bank and Government. The company has not issued any Debentures.
- (ix) According to the information and explanations given to us and based on our examination of the records of the company, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. The company has utilized the monies raised by way of term Loans for the purposes for which they were





- (x) According to the information and explanations given to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the year in course of our audit.
- (xi) According to the information and explanations given to us, The Company has not paid / provided for any managerial remuneration. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us during the year there were transactions with related parties in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence the question of complying with provisions of section 192 of Companies Act, 2013 does not arise. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

PLACE:- AHMEDABAD  
DATE :- 23/06/2020



FOR, PURNESH R. MEHTA & CO.  
CHARTERED ACCOUNTANTS  
FRN:- 142830W

*Purnesh*  
PURNESH MEHTA  
PROPRIETOR  
MEMBERSHIP NO.:- 032812  
UDIN: 20032812AAAABP5918

**PURNESH R. MEHTA & CO.**  
**CHARTERED ACCOUNTANTS**  
7th Floor, B/705, Nirman Complex,  
Opp. Havmoji Restaurant,  
Navrangpura, Ahmedabad-9.

**ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
ESSEM INFRA PRIVATE LIMITED,**

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

We have audited the internal financial controls over financial reporting of ESSEM INFRA PRIVATE LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

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



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

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

PLACE:- AHMEDABAD  
DATE :- 23/06/2020



FOR, PURNESH R. MEHTA & CO.  
CHARTERED ACCOUNTANTS  
FRN:- 142830W

*PR Mehta*

PURNESH MEHTA  
PROPRIETOR  
MEMBERSHIP NO.:- 032812  
UDIN: 20032812AAAABP5918

**PURNESH R. MEHTA & CO.**  
**CHARTERED ACCOUNTANTS**  
7th Floor, B/705, Nirman Complex,  
Opp. Havmor Restaurant,  
Navrangpura, Ahmedabad-9.

ESSEM INFRA PRIVATE LIMITED  
BALANCE SHEET AS AT 31ST MARCH 2020


PARTICULARS	NOTE	[AMT. RS.]	
		AS AT THE END OF CURRENT REPORTING PERIOD 31/03/2020	AS AT THE END OF PREVIOUS REPORTING PERIOD 31/03/2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property Plant and Equipment	1	0	23811
Deferred tax assets (net)	2	580817934	501706515
		580817934	501730326
<b>Current assets</b>			
Inventories	3	3707734356	6486641685
<b>Financial Assets</b>			
Trade receivables	4	14006369	28054527
Cash and cash equivalents	5	5448643	65069967
Bank balances other than above	6	34225423	109420555
Loans	7	59588	5059481
Other current assets	8	104114143	206871704
Current Tax Assets (Net)	9	14961304	18271147
		3880549826	6919389066
<b>TOTAL ASSETS</b>		<b>4461367760</b>	<b>7421119392</b>
<b>Equity</b>			
Equity Share capital	10	150000	150000
Other Equity	11	(968054370)	(390973623)
		(967904370)	(390823623)
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	12	1865983824	2189938738
		1865983824	2189938738
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	13	2700628169	2914391160
Trade payables	14		
-Total outstanding dues of micro enterprises and small enterprises		21447407	0
-Total outstanding dues of creditors other than micro enterprises and small enterprises		133302717	399940188
Other current financial liabilities	15	260030312	659146787
Other current liabilities	16	447879701	1648526142
		3563288306	5622004277
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4461367760</b>	<b>7421119392</b>

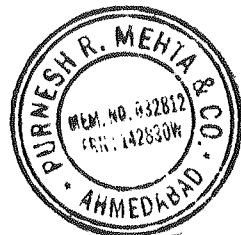
Significant Accounting Policies &  
Notes Forming Part of Accounts


1 to 40


AS PER OUR REPORT OF EVEN DATE  
FOR PURNESH R. MEHTA & CO.  
CHARTERED ACCOUNTANTS  
FRN:- 142830W

ON BEHALF OF THE BOARD OF DIRECTORS

  
PURNESH MEHTA  
PROPRIETOR  
MEM. NO. 032812  
UDIN:-20032812AAAABP5918



  
DIPAKKUMAR G. PATEL  
CHAIRMAN  
[DIN: 00004766]

  
SHEKHAR G. PATEL  
DIRECTOR  
[DIN: 00005091]

PLACE : AHMEDABAD  
DATE : 23/06/2020

PLACE : AHMEDABAD  
DATE : 23/06/2020

**PURNESH R. MEHTA & CO.**  
CHARTERED ACCOUNTANTS  
7th Floor, B/705, Nirman Complex,  
Opp. Havmor Restaurant,  
Mangpura, Ahmedabad-9.

ESSEM INFRA PRIVATE LIMITED  
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH 2020.

[AMT. RS.]

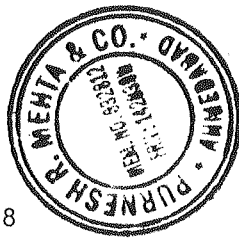
PARTICULARS	NOTE	FOR THE CURRENT	FOR THE CURRENT
		REPORTING PERIOD 2019-2020	REPORTING PERIOD 2018-2019
I INCOME:-			
Revenue from Operations	17	2695573727	1844678734
Other Income	18	1437039	8354094
<b>TOTAL</b>		<b>2697010766</b>	<b>1853032828</b>
II EXPENSES :-			
Cost of Material Consumed	19	138051698	643389536
Changes in Inventories	20	2764876075	916211907
Finance Cost	21	324204138	390771199
Depreciation		0	10054
Other Expenses	22	101322130	250352501
<b>TOTAL</b>		<b>3328454041</b>	<b>2200735197</b>
III Profit / (Loss) Before Tax		(631443275)	(347702369)
IV Tax Expenses:			
Current Tax		(24748891)	0
Deferred Tax		79111419	501699474
V Profit / (Loss) After Tax		54362528	501699474
		(577080747)	153997105
VI Other Comprehensive Income		0	0
Total of Other Comprehensive Income		0	0
VII Total Comprehensive Income for the period		(577080747)	153997105
VIII Basic & Diluted Earning Per share [In Rs.]	27		
-Before extra ordinary items		(38472.05)	10266.47
-After extra ordinary items		(38472.05)	10266.47
IX Significant Accounting Policies & Notes Forming Part of Accounts	1 to 40		

AS PER OUR REPORT OF EVEN DATE  
FOR PURNESH R. MEHTA & CO.  
CHARTERED ACCOUNTANTS  
FRN:- 142830W

ON BEHALF OF THE BOARD OF DIRECTORS

*PR Mehta*

PURNESH MEHTA  
PROPRIETOR  
MEM. NO. 032812  
UDIN:-20032812AAAABP5918



PURNESH R. MEHTA & CO.  
CHARTERED ACCOUNTANTS  
7th Floor, B/705, Nirman Co-op. Soc.,  
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Navrangpura, Ahmedabad-9.

PLACE : AHMEDABAD  
DATE : 23/06/2020

*D. Patel*

DIPAKKUMAR G. PATEL  
CHAIRMAN  
[DIN: 00004766]

*S. Patel*

SHEKHAR G. PATEL  
DIRECTOR  
[DIN: 00005091]

PLACE : AHMEDABAD  
DATE : 23/06/2020

ESSEM INFRA PRIVATE LIMITED  
CASH FLOW STATEMENT FOR THE YEAR 2019-2020

[AMT. RS.]

PARTICULARS	NOTE	2019-2020	2018-2019
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>			
NET PROFIT BEFORE TAX AND PERVIOUS YEAR 'S FIGURES		(631443275)	(347702369)
TOTAL		(631443275)	(347702369)
ADD:- PROVISION FOR INCOME TAX		(24748891)	0
		(24748891)	0
		(656192166)	(347702369)
NET PROFIT AFTER TAX			
ADD/LESS ADJUSTMENTS FOR			
DEPRECIATION		0	10054
INTEREST EXPENSES		324204138	390771199
INTEREST INCOME		(1437039)	(8354094)
IND AS ADJUSTMENTS '[Refer note no. 38]		0	(1105500470)
		322767099	(723073311)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		(333425067)	(1070775680)
ADD/LESS ADJUSTMENTS FOR			
INVENTORIES		2778907329	(3005791207)
TRADE RECEIVABLES		14048158	3223559494
OTHER CURRENT ASSETS		(8483312)	112871959
TRADE PAYABLES		(245190064)	220140213
OTHER CURRENT LIABILITIES		(1599762916)	1332034189
TAXES PAID (NET)		939519195	1882814648
CASH GENERATED FROM OPERATIONS		114550716	(30556754)
		1054069911	1852257894
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>			
SALE OF FIXED ASSETS		23811	0
MOVEMENT IN LOANS & ADVANCES		4999893	(59481)
INTEREST RECEIVED		1437039	8354094
NET CASH USED IN INVESTING ACTIVITIES		6460743	8294613
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>			
MOVEMENT IN BORROWINGS		(537717905)	(396153496)
INTEREST PAID		(324204138)	(390771199)
NET CASH USED IN FINANCING ACTIVITIES		(861922043)	(786924695)
NET INCREASE IN CASH AND CASH EQUIVALENTS		(134816456)	2852132
OPENING BALANCE OF CASH AND CASH EQUIVALENTS		174490522	171638390
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		39674066	174490522
<b>Components of Cash and Cash Equivalents</b>			
Cash on hand		201435	201116
Balances with a Banks		5247208	64868851
Balances in FD Accounts with Bank		34225423	109420555
<b>Total</b>		<b>39674066</b>	<b>174490522</b>


Significant Accounting Policies

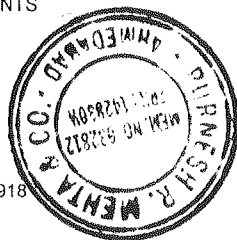
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Note : Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the financial statements.


AS PER OUR REPORT OF EVEN DATE  
FOR PURNESH R. MEHTA & CO.  
CHARTERED ACCOUNTANTS  
FRN:- 142830W

ON BEHALF OF THE BOARD OF DIRECTORS

  
PURNESH MEHTA  
PROPRIETOR  
MEM. NO. 032812  
UDIN:-20032812AAAABP5918



  
DIPAKKUMAR G. PATEL  
CHAIRMAN  
[DIN: 00004766]

  
SHEKHAR G. PATEL  
DIRECTOR  
[DIN: 00005091]

PLACE YOUR STAMP  
DATE : 23/06/2020

PLACE : AHMEDABAD  
DATE : 23/06/2020

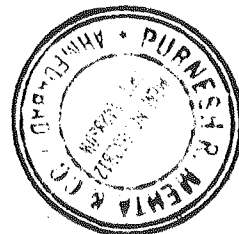
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Navrangpura, Ahmedabad-9.

**ESSEM INFRA PRIVATE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31/03/2020**

A. EQUITY SHARE CAPITAL PARTICULARS	AS AT 31/03/2020	[AMT. RS.] AS AT 31/03/2019
Balance at the beginning of the year	150000	150000
Changes in Equity Share capital During the year	0	0
Balance at the end of the reporting period	150000	150000

**B. OTHER EQUITY**

PARTICULARS	Share applica tion money pending allotment	Equity component of compound financial instruments	Reserves and Surplus		General Reserve	Debenture Redemption Reserve	Total
			Securities Premium Reserve	Retained Earnings/ profit & loss			
Balance as at 1.04.2018				227529742	0	333000000	560529742
Ind As Adjustments				(1105500470)			(1105500470)
Total Comprehensive Income for the year				153997105	0		153997105
Dividends							
Tax on Dividends							
Transfer from profit & loss A/c.				0			
Employee Stock Options (Net)							
Transfer from Debenture Redemption Reserve to General Reserve					193000000	(193000000)	0
Bonus Issue							
Balance as at 31.03.2019				(723973623)	193000000	140000000	(390973623)
Total Comprehensive Income for the year				(577080747)			(577080747)
Dividends							
Tax on Dividends							
Transfer from Debenture Redemption Reserve A/c.							0
Transfer from profit & loss A/c.					140000000	(140000000)	0
Employee Stock Options (Net)							
Transfer from Debenture Redemption Reserve to General Reserve							
Bonus Issue							
Balance as at 31.03.2020				(1301054370)	333000000	0	(968054370)



ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

NOTE - 1

PROPERTY, PLANT & EQUIPMENT												[AMT. RS.]	
DESCRIPTION OF TANGIBLE ASSETS	AS AT 01-04-2019		GROSS BLOCK		AS AT 31-03-2020		DEPRECIATION / AMORTISATION DURING THE YEAR		AS AT 31-03-2020		NET BLOCK		
	AS AT 01-04-2019	AS AT 01-04-2019	ADDITION DURING YEAR	DEDUCTIONS DURING YEAR	AS AT 31-03-2020	AS AT 31-03-2020	DEPRECIATION / AMORTISATION DURING THE YEAR	DEDUCTIONS DURING YEAR	AS AT 31-03-2020	AS AT 31-03-2020	AS AT 31-03-2020	AS AT 31-03-2020	
CUBE TESTING MACHINE	63630	63630	0	63630	0	43635	0	43635	0	0	19995		
STABILISER	31050	31050	0	31050	0	27234	0	27234	0	0	3816		
TOTAL	94680	94680	0	94680	0	70869	0	70869	0	0	23811		
PREVIOUS YEAR	94680	94680	0	0	94680	60815	10054	0	70869	23811			





ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

[AMT. RS.]

PARTICULARS	AS AT 31/03/2020	AS AT 31/03/2019
<b>NOTE - 2</b>		
<b>DEFERRED TAX ASSETS (NET)</b>		
<u>Deferred Tax Assets:-</u>		
Disallowances under the Income Tax Act, 1961 Related to Income Tax	580817934	50169 9087
Related to Fixed Assets	0	7428
Total - A	580817934	50170 6515
<u>Deferred Tax Liabilities:-</u>		
	0	0
Total - B	0	0
Total A - B = Net Deferred Tax Assets	580817934	50170 6515

**NOTE - 3**  
**INVENTORIES**

INVENTORIES (As taken, valued & certified by Management)

Stock of WIP & FG	3698848658	6463724 733
Stock of Raw-material	8885698	22916 952
<b>TOTAL</b>	<b>3707734356</b>	<b>6486641 685</b>

**NOTE - 4**

**TRADE RECEIVABLES**  
**[UNSECURED, CONSIDERED GOOD]**

-Considered Good - Secured	0	0
-Considered Good - Unsecured	14006369	28054527
<b>TOTAL</b>	<b>14006369</b>	<b>28054527</b>

**NOTE - 5**

**CASH & CASH EQUIVALENTS**

Cash on hand	201435	201 116
Balances with Banks in :-		
-Current Account	5247208	64868 851
	5247208	64868 851
<b>TOTAL</b>	<b>5448643</b>	<b>65069967</b>

**NOTE - 6**

**OTHER BANK BALANCES**

Balances with Banks :

Balances in FD Accounts with Bank < 12 months	34225423	109420555
<b>TOTAL</b>	<b>34225423</b>	<b>109420555</b>

**NOTE - 7**

**LOANS [CURRENT]**  
**[UNSECURED, CONSIDERED GOOD]**

SHORT TERM LOANS & ADVANCES:-

Loan to Others:-

J.P. Fincorp Services Private Limited	0	5000000
Gavendu Land Developers Private Limited	53219	53219
The Maple Trade Centre co.op.Hou. Ser.Soc. Ltd.	3712	3712
The Maple Tree Shop co.op.Hou. Ser.Soc. Ltd.	2657	2550
	59588	5059481

**TOTAL**

59588 5059481

**NOTE - 8**

**OTHER CURRENT ASSETS**

GST & Service Tax Credit Receivable	16125747	87278327
AMC, Auda & Legal Charges	0	21906467
Advance to Suppliers	680356	1462828
Interest Receivable	0	127088
Prepaid Expenses	2627155	5070236
Gas Deposit	139000	244000
Vat Deposit	10000	10000
Income Tax & TDS	269531885	380772758
Less:-		
Provision for Income Tax	(185000000)	(290000000)
	84531885	90772758
<b>TOTAL</b>	<b>104114143</b>	<b>206871704</b>



PARTICULARS	AS AT 31/03/2020	AS AT 31/03/2019
NOTE - 9		
CURRENT TAX ASSETS [NET]		
Advance payment of Income Tax & TDS	14961304	1827 1147
Less:-		
Provision for Income Tax	0	0
	14961304	1827 1147
<b>TOTAL</b>	<b>14961304</b>	<b>1827 1147</b>

NOTE - 10  
EQUITY SHARE CAPITAL

AUTHORISED:-

15000 (Pre. Yr. 15000) Equity Shares of Rs. 10/- Each	150000	150000
	150000	150000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:-

15000 (Pre. Yr. 15000) Equity Shares of Rs. 10/- Each	150000	150000
<b>TOTAL</b>	<b>150000</b>	<b>150000</b>

NOTE :

10.1. The reconciliation of number of shares at the beginning of the year and at the close of the year is not given as there is no change in the paid up capital.

10.2. The Statement of Shareholders Holding More Than 5% Equity Shares of The Company:-

PARTICULARS	AS AT 31/03/2020		AS AT 31/03/2019	
	NO. OF SHARES	% OF HOLDING	NO. OF SHARES	% OF HOLDING
Ganesh Housing Corporation Limited. - Holding Company	14990	99.93	14990	99.93

10.3. The entire shareholding of the company is held by Ganesh Housing Corporation Limited which is its holding company.

10 equity shares are held by Ganesh Housing Corporation Limited as per provisions of section 89 of the Companies Act, 2013.

10.4. Right, Preferences and Restrictions attached to shares:

The company has one class of equity shares having a par value of Rs. 10/- each. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

NOTE - 11

OTHER EQUITY

RESERVES & SURPLUS:

(a) DEBENTURES REDEMPTION RESERVE

Balance As Per Last Balance Sheet	140000000	333000000
Add : Transfer from Profit & Loss A/c	0	0
Add : Transfer to General Reserve A/c	(140000000)	(193000000)

<b>TOTAL - 1</b>	<b>0</b>	<b>140000000</b>
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(b) GENERAL RESERVE

Balance As Per Last Balance Sheet	193000000	0
Add : Transfer from Debenture Redemption Reserve	140000000	193000000
	333000000	193000000

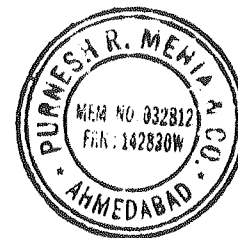
(c) PROFIT & LOSS ACCOUNT

Balance As Per Last Balance Sheet	(723973623)	227529742
Less : Adjustments related to Ind As-115	0	(1105500470)
Add : Transfer from Profit & Loss Statement	(577080747)	153997105
	(1301054370)	(723973623)

Less: Transferred to Debentures Redemption Reserve	0	0
--	---	---

<b>TOTAL - 2</b>	<b>(1301054370)</b>	<b>(723973623)</b>
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<b>TOTAL 1+2=</b>	<b>(968054370)</b>	<b>(390973623)</b>
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PARTICULARS AS AT 31/03/2020 AS AT 31/03/2019

NOTE - 12  
BORROWINGS

NON CURRENT BORROWINGS:-  
SECURED:-

Term Loans:  
From Others

1865983824 2189938738

1865983824 2189938738

TOTAL

1865983824 2189938738

[Refer note no. 36 for security details]

Maturity Profile & Rate of Interest of Non Convertible Debentures are as set out below:

Rate of Interest	2020-21	2021-22	2022-23	2023-24 & Beyond
Term Loans from Others	229946655	590983824	650000000	625000000

NOTE - 13  
BORROWINGS

SHORT TERM BORROWINGS:-

From Related Parties:-

Inter Corporate Deposit

2658824169 2872587160

2658824169 2872587160

From others:-

Inter Corporate Deposit

41804000 41804000

41804000 41804000

TOTAL

2700628169 2914391160

NOTE:- All unsecured loans are repayable on demand. As they are repayable on demand, they are shown as short term borrowing.

NOTE - 14  
TRADE PAYABLES

-Total outstanding dues of micro enterprises and small enterprises

21447407 0

-Total outstanding dues of creditors other than micro enterprises and small enterprises

133302717 399940188

[Refer Note No. 28]

TOTAL

154750124 399940188

NOTE - 15  
OTHER CURRENT FINANCIAL LIABILITIES

Current Maturity of Long Term Debt

229946655 616706856

Customer Booking Refundable

30083657 42439931

TOTAL

260030312 659146787

NOTE - 16  
OTHER CURRENT LIABILITIES

AMC, Auda & Legal Charges

160703408 0

Statutory Liabilities

20293843 30458812

Booking advance received from customers

204222770 1507266976

Bank Balnces (Due to Reconciliation)

576303 63708163

Security Deposit - Suppliers

6611702 8712667

Members Maintenance Charges

55471675 38379524

TOTAL

447879701 1648526142



ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

[AMT. RS.]

PARTICULARS YEAR ENDED 31/03/2020 YEAR ENDED 31/03/2019

NOTE - 17

REVENUE FROM OPERATIONS

Sales	2670834721	1843257666
Booking Cancellation Charges	0	124896
Commission Income	727752	234687
Maintenance Income	23782017	0
Profit on Sale of Fixed Assets	25612	0
Rent Income	87234	575232
Sundry Credit Balances W/off.	116391	48253
[Refer Note No. 35] TOTAL	<u>2695573727</u>	<u>1844678734</u>

NOTE:- 18

OTHER INCOME

Interest Income from:

-Bank on F.D.	1369049	8001020
-Others	67990	353074
TOTAL	<u>1437039</u>	<u>8354094</u>

NOTE - 19

COST OF MATERIAL CONSUMED

Carting Exp.	0	963171
Electric Exp.	6111137	5054400
F.S.I. Expenses	0	0
Labour Exp.	0	98279458
Machinery Rent	0	325741
Professional Fees	388750	4462196
Raw-material consumed	37981278	169763012
Repairs & Maintenance Exp.	0	0
Security Expenses	0	1630982
Site Exp.	93570533	3631504
Site Office Exp.	0	129401
Stamp duty & Registration Expenses	0	1337290
Survey Exp.	0	20990
Work contract Exp.	0	357791391
TOTAL	<u>138051698</u>	<u>643389536</u>

NOTE:- 20

CHANGES IN INVENTORIES

CLOSING STOCK:-

WIP & FG	3698848658	6463724733
TOTAL	<u>3698848658</u>	<u>6463724733</u>

LESS: OPENING STOCK:-

WIP & FG	6463724733	3447703454
Add: Adjustments related to Ind As-115	0	3932233186
TOTAL	<u>6463724733</u>	<u>7379936640</u>
(Increase) / Decrease in stock	<u>2764876075</u>	<u>916211907</u>
TOTAL	<u>2764876075</u>	<u>916211907</u>

NOTE - 21

FINANCE COST

Interest to:-

-Debenture holders	13067983	126335044
-Others	308752238	253135718
-On Late Payment of Taxes	2362977	2785602
	<u>324183198</u>	<u>382256364</u>

Loan Processing Charges	0	8500000
Bank Charges	20940	14835
TOTAL	<u>324204138</u>	<u>390771199</u>



ESSEM INFRA PRIVATE LIMITED  
 NOTES FORMING PART OF ACCOUNTS  
 PARTICULARS

[AMT. RS.]

YEAR ENDED 31/03/2020 YEAR ENDED 31/03/2019

NOTE - 22

OTHER EXPENSES

ADMINISTRATIVE & OTHER EXPENSES:-

Appeal Fees	1000	0
Audit Fee	100000	100000
CSR Expenses	56000	600000
GST Expenses	75364309	17545980
Insurance Expenses	302248	186571
Internet & Website Charges	83196	49402
Legal & Professional Fees	4451643	3815400
Miscellaneous Expenses	6370	153088
Office Expenses	315493	1000
Penalty on taxes	67000	44000
Postage & Courier Expenses	0	80605
Roc Filing Fees	3300	20032
Site Maintenance Expenses	0	1034121
Stationery & Printing Expenses	34376	226487
Sundry Debit Balances W/off.	5008921	14329
Swachchh Bharat Cess on Service Tax	0	405071
Travelling & Conveyance Expenses	2161	9331

85796017 29685417

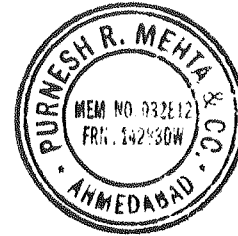
MARKETING EXPENSES:-

Advertisement Expenses	11241393	24811032
Brokerage Expenses	3443109	13006441
Brouchure Expenses	0	595000
Marketing Management Fees	0	18000000
Sales promotion Expenses	841611	2254611

15526113 220667084

TOTAL

101322130 250352501



ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

23. SIGNIFICANT ACCOUNTING POLICIES:

COMPANY OVERVIEW:

1.1 NATURE OF OPERATIONS:

The Company was incorporated in 2015. The company is a private limited company incorporated and domiciled in India. And has its registered office at Ganesh Corporate House, 100 feet Hebatpur-Thaltej Road, Nr. Sola bridge, Ahmedabad, Gujarat, India. The company's main business is real estate promotion and development in residential and commercial segment.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under section 133 of the Companies Act 2013 read together with the Rules notified there under to the extent applicable and the other relevant provisions of the Act, pronouncements of the regulatory bodies applicable to the company.

The financial statements have been prepared on going concern and accrual basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements of the Company for the year ended March 31, 2020 were approved by the Board of Directors on 23/06/2020.

1.3. BASIS OF MEASUREMENT:

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities as specified and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind AS.

1.4 BASIS FOR CLASSIFICATION OF ASSETS & LIABILITIES:

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets or processing and their realization in cash and cash equivalent, project related assets and liabilities have been classified into current and non-current based on operating cycle of respective projects. The Company has ascertained its operating cycle to be 12 months for the purpose of current – non current classification for all other assets and liabilities.

1.5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Revisions to accounting estimates are recognised prospectively.

The areas involving critical estimates or judgments are:

- Estimation of Useful life of Property, plant and equipment and intangibles (Note 1.6)
- Estimation of taxes (Note 1.10)
- Estimation of cost of project for revenue recognition (Note 1.11)
- Estimation of impairment (Note 1.9, 1.13)
- Estimation of provision and contingent liabilities (Note 1.16)



ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES:

1.6. PROPERTY, PLANT & EQUIPMENT:

- A. Property, Plant & Equipment are stated at cost of acquisition or construction net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and other directly attributable costs. 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.
- B. Depreciation on fixed assets:  
Depreciation is provided based on a pro-rata basis on the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 on the "Written down value" method in respect of all assets.
- C. The company had elected to consider the carrying value of all its property, plant and equipment appearing in the financial statements prepared in accordance with Accounting Standards notified under section 133 of the Companies Act 2013 read together with the Rules notified there under and used the same as deemed cost on transition to Ind AS.

1.7 INTANGIBLE ASSET

Intangible Assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of asset can be measured reliably.

Intangible Assets are stated at cost, net of accumulated amortization and accumulated impairment loss, if any. Cost includes any expenditure directly attributable on making the asset ready for its intended use.

Intangible assets with finite lives are amortized over their useful economic life. The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

1.8. BORROWING COST:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets (i.e. assets that necessarily take substantial period of time to get ready for their intended use or sale) are capitalised as part of the cost of such asset up to the date when such asset is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred. Further, interest earned out of borrowed funds from temporary investments is reduced from the borrowing cost. The proportionate borrowing cost is added in the valuation of inventories.

1.9 FINANCIAL INSTRUMENT:

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

1) Financial Asset:-

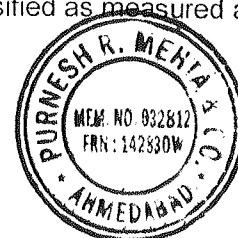
Initial recognition and measurement:

All financial instruments are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit & Loss, transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

Subsequent Measurement:

For the purpose of subsequent measurement financial assets are classified as measured at:

- Amortised cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVOCI).



ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

- (a) Financial Asset measured at amortized cost:  
Financial Assets 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 are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the statement of Profit & Loss. The company while applying above criteria has classified the following at amortized cost:
- (a) Trade receivables
  - (b) Loans
  - (c) Other financial assets
- (b) Financial Assets Measured at fair value through other comprehensive income:  
Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.
- (c) Financial Assets at fair value through profit or loss (FVTPL):  
Financial Asset are measured at Fair value through Profit & Loss if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the statement of Profit & Loss.

Equity Instruments:-

All investments in equity instruments classified under financial assets are initially measured at fair value, the group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

De-recognition of Financial Assets:-

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred and the transfer qualifies for Derecognition. On Derecognition of a financial asset in its entirety, the difference between the carrying amount (measured on the date of recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the statement of Profit & Loss.

Impairment of Financial Assets:-

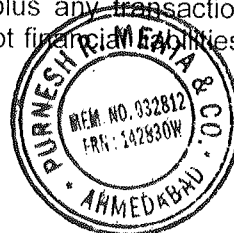
In accordance with Ind AS 109, the company applies expected credit loss (ECL) model by adopting the simplified approach using a provision matrix reflecting current condition and forecasts of future economic conditions for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial Assets that are debt instruments, and are measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balance
- (b) Financial Assets that are debt instruments and are measured at FVTOCI.
- (c) Lease receivables under Ind AS 116.
- (d) Trade receivables or any contractual right to receive cash or another financial asset
- (e) Loan commitments which are not measured at FVTPL
- (f) Financial guarantee contracts which are not measured at FVTPL

(II) Financial Liability

Initial recognition and measurement:

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.





ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Financial Liabilities at amortized cost:

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount.

The company is classifying the following under amortized cost

- Borrowings from banks
- Borrowings from others
- Trade payables
- Other Financial Liabilities

Derecognition:

A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

1.10. INCOME TAXES:

Income tax expense for the year comprises of current tax and deferred tax.

Provision for Current Tax is computed as per Total Income Returnable under the Income Tax Act, 1961 taking into account available deductions and exemptions.

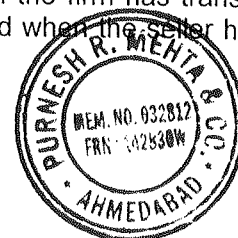
Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

1.11. REVENUE RECOGNITION:

- A. The Company derives revenues primarily from sale of properties comprising of both commercial and residential units. The Company recognises revenue when it determines the satisfaction of performance obligations at a point in time and subsequently over time when the Company has enforceable right for payment for performance completed to date. Revenue is recognised upon transfer of control of promised products to customer in an amount that reflects the consideration which the Company expects to receive in exchange for those products.

In arrangements for sale of units the Company has applied the guidance in IND AS 115, on "Revenue from contracts with customers", by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering sale of units as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

The full revenue is recognized on sale of property when the firm has transferred to the buyer all significant risks & rewards of ownership and when the seller has not to perform any substantial acts to complete the contract.



ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

- B. Interest income is recognized on accrual basis using the effective interest rate (EIR) method.

1.12. RETIREMENT & OTHER EMPLOYEE BENEFITS:-

A. Defined Contribution Plans:-

The company's contribution paid / payable for the year to Provident Fund are recognized in the Profit & Loss Statement. The company has no obligation other than the contribution payable to the Government.

1.13. IMPAIRMENT OF ASSETS:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized in the year in which an asset is identified as impaired as an expense in the Profit and Loss Account.

1.14. INVENTORY:

Inventories are valued at the lower of cost and net realisable value.

- A. In case of the inventory of Raw-materials, they are valued at cost using FIFO method.  
B. The Closing stock of WIP has been valued at cost.

1.15. TRANSACTIONS IN FOREIGN CURRENCY:

- A. Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.  
B. Monetary items denominated in foreign currencies at the period end are restated at year end rates.  
C. Non monetary foreign currency items are carried at cost.  
D. Any income or expense on account of exchange difference either on settlement or on transaction is recognised in the statement of profit and loss.

1.16 LEASES:

Policy applicable before April 01, 2019:-

Finance Lease - Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

Operating Lease - Agreements which are not classified as finance leases are considered as operating lease.

Operating lease payments/income are recognised as an expense/income in the standalone statement of profit and loss on a straight line basis over the lease term unless there is another systematic basis which is more representative of the time pattern of the lease.

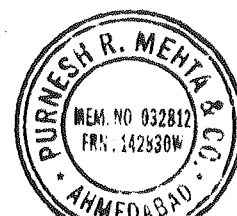
Policy applicable after April 01, 2019:-

At the inception of a contract, the Company assesses whether a contract is or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration.

As a Lessee:

Right of use Asset

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. At the commencement date, a lessee shall measure the right-of-use asset at cost which comprises initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.



ESSEM INFRA PRIVATE LIMITED  
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Lease Liability:

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

Short-term lease and leases of low-value assets:

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of less than 12 months or less and leases of low-value assets, including IT Equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The election for short-term leases shall be made by class of underlying asset to which the right of use relates. A class of underlying asset is a grouping of underlying assets of a similar nature and use in Company's operations. The election for leases for which the underlying asset is of low value can be made on a lease-by-lease basis.

1.17. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, it is probable that there will be an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past event, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arise from past event where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount can not be made.

At Present there is no lease contract in the company.

1.18. EARNINGS PER SHARE:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

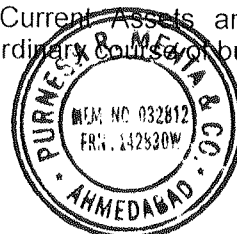
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.

1.19. CASH FLOW STATEMENT:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

24. Corresponding figures of the previous year have been regrouped to confirm with this year's classification wherever necessary.

25. In the opinion of the Board of Directors, the Current Assets and Loans & Advances are approximately of the value stated, if realised in the ordinary course of business.



ESSEM INFRA PRIVATE LIMITED  
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26. Details of Auditors' Remuneration are as follows: [AMT. RS.]

PARTICULARS	2019-2020	2018-2019
Audit fees	100000	100000
<b>Total</b>	<b>100000</b>	<b>100000</b>

27. Earning per share:

SR. NO.	PARTICULARS	2019-2020	2018-2019
A	<b>Basic &amp; Diluted EPS (IN Rs.) From Continuing Operations attributable to equity share holders</b>		
	-Basic	(38472.05)	10266.47
	-Diluted	(38472.05)	10266.47
B	<b>Reconciliation of earnings used in calculation of Basic &amp; Diluted EPS</b>		
	Profit attributable to equity shareholders used in calculation of Basic EPS from continuing operations	(577080747)	153997105
C	<b>Weighted Average number of shares as denominator</b>		
	Weighted average number of shares used in calculation of Basic EPS	15000	15000
	Weighted average number of equity shares and potential equity shares used as denominator in calculation of Diluted EPS	15000	15000

28. Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006\* [AMT.RS.]

SR.NO.	PARTICULARS	2019-2020	2018-2019
A	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
	Principal amount due to micro and small enterprises (Not overdue)	21447407	NIL
	Interest due on above	NIL	NIL
B	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
C	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL
D	The amount of interest accrued and remaining unpaid at the end of each accounting year.	NIL	NIL
E	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

\* This information has been determined to the extent such parties have been identified on the basis intimation received from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development by the management



ESSEM INFRA PRIVATE LIMITED  
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29. Financial Instrument by Category: [AMT. RS.]

PARTICULARS	2019-2020			2018-2019		
	FVTPL	FVTOCI	AMORTISED COST	FVTPL	FVTOCI	AMORTISED COST
<b>Financial Assets</b>						
-Loans	0	0	59588	0	0	5059481
-Trade Receivables	0	0	14006369	0	0	28054527
-Cash & cash equivalents	0	0	5448643	0	0	65069967
-Bank balances other than above	0	0	34225423	0	0	109420555
<b>Financial Liabilities</b>						
-Borrowings	0	0	2700628169	0	0	2914391160
-Trade Payables	0	0	154750124	0	0	399940188
-Other financial liabilities	0	0	260030312	0	0	659146787

\*Since all the financial Assets and Financial liabilities are measured at amortised cost, disclosure of fair value hierarchy is not being made

30. Fair Value of Financial Assets & Liabilities measured at amortized cost: [AMT. RS.]

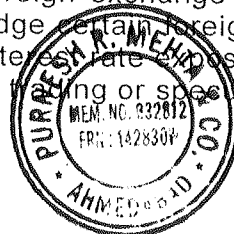
Particulars	2019-2020		2018-2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
-Loans	59588	59588	5059481	5059481
-Trade Receivables	14006369	14006369	28054527	28054527
-Cash & cash equivalents	5448643	5448643	65069967	65069967
-Bank balances other than above	34225423	34225423	109420555	109420555
<b>Financial Liabilities</b>				
-Borrowings	2700628169	2700628169	2914391160	2914391160
-Trade Payables	154750124	154750124	399940188	399940188
-Other financial liabilities	260030312	260030312	659146787	659146787

A. The carrying amounts of trade receivables, trade payables, current loans, capital creditors and cash and cash equivalents, other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

B. The fair values of non-current borrowings and non current Loans are same as their amortised cost since the borrowings are interest bearing at the prevalent market rate.

31. Financial Risk Management:-

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimize any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as speculative instruments.



ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure	Measurement	Management
Credit Risk	Financial Assets measured at amortised cost	-Ageing Analysis -Credit Ratings	Diversification, Credit Limits
Liquidity Risk	Borrowing and other liabilities	Rolling Cash flow forecasts	Availability of committed borrowing facilities
Market Risk - Interest Rates	Variable Rate Borrowings	Sensitivity Analysis	Conversion of loan from higher interest rate to lower interest rate

#### Credit Risk Management

Credit risk is managed on a company basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assess and maintain an internal credit rating system. Internal credit rating is performed on a company basis for each class of financial instruments with different characteristics.

#### Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

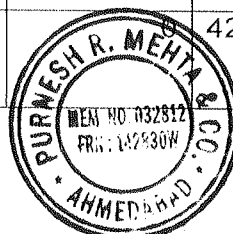
Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the company in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Financing Arrangements: [AMT. RS.]

Particulars	2019-2020	2018-2019
Floating Rate:		
Expiring within 1 year	229946655	616706856
Expiring beyond 1 year	1865983824	2189938738

Maturities of financial liabilities (except current maturity of long term debts) as on 31.03.2020 & 31.03.2019 [AMT. RS.]

Financial Liabilities	2019-2020			2018-2019		
	<3 month	3 to 12 month	Total	<3 month	3 to 12 month	Total
<b>Non Derivative</b>						
Trade Payables	154750124	0	154750124	399940188	0	399940188
Customer Booking Refundable	0	30083657	30083657		42439931	42439931



**Market Risk Management**

**Cash flow and fair value interest rate risk**

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company manages its cash flow interest rate risk by converting higher rate interest loan to lower rate interest rate.

**Interest rate risk exposure**

Particulars	2019-2020	2018-2019
Variable Rate borrowings	2095930479	2806645594
Fixed Rate Borrowings	2700628169	2914391160

At the end of reporting period the Company had the following variable rate borrowings.

Particulars	2019-2020			2018-2019		
	Average Interest Rate %	Balance	% of Total Loan	Average Interest Rate %	Balance	% of Total Loan
Term Loan From NBFC	15.54	1865983824	100	12.83	2189938738	100
Net Exposure		1865983824			2189938738	

**Sensitivity Analysis [AMT. RS.]**

Particulars	Impact on PAT		Impact on other Components of Equity	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Interest Rate increase by 50 basis points	10430831	14970243	0	0

**32. Capital Management:**

The Company's objectives when managing capital are to

- A. safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- B. Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' [AMT. RS.]

Particulars	2019-2020	2018-2019
Net Debt	4526937927	4929839376
Total Equity	(967904370)	(390823623)
Debt Equity Ratio	(4.68)	(12.61)



ESSEM INFRA PRIVATE LIMITED  
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33. Income Taxes: [AMT. RS.]

**A. Tax (Credit)/Expense recognised in profit or loss (AMT. RS.)**

Particulars	2019-2020	2018-2019
Current Tax	24748891	0
Deferred Tax	(79111419)	(501699474)
Total Income Tax Expenses	(54362528)	(501699474)

**B. Reconciliation of tax expenses and the accounting profit multiplied by Tax Rate [AMT. RS.]**

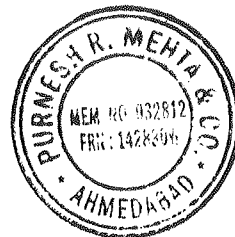
Particulars	2019-2020	2018-2019
Profit Before Tax	(631443275)	(347702369)
Statutory Tax Rate (%)	26.00%	29%
Tax at statutory tax rate	(164175252)	(100833687)
Tax effects of amounts which are not deductible in calculating taxable income due to adjustments as per income tax act	176830178	(400865787)
Tax effects of change in deferred tax rate	(67017454)	0
Tax effects of difference between current tax rate and deferred tax rate	0	0
Income Tax Expense	(54362528)	(501699474)

**C. Current Tax Asset/ (Liability) [AMT. RS.]**

Particulars	2019-2020	2018-2019
Income Tax asset at the beginning of the reporting period	18271147	0
Income Tax liability at the beginning of the reporting period	0	11413655
Increase in liability as per income tax adjustment	(236773)	9464531
Income Tax paid	0	20878186
Income Tax Refund	18507920	0
Current income tax payable for the year	(54362528)	(501699474)
<b>Income Tax Asset at the end of the period</b>	<b>14961304</b>	<b>18271147</b>
<b>Income Tax Liability at the end of the period</b>	<b>0</b>	<b>0</b>

**D. Deferred Tax Assets/ (Liabilities) [AMT. RS.]**

Particulars	2019-2020	2018-2019
The balances comprises temporary differences attributable to :	501706515	7041
Deferred Tax Assets		
Related Income Tax Act, 1961	79118847	501699087
Related to Fixed Assets	(7428)	387
Deferred Tax Liabilities		
Difference	0	0
Net Deferred Tax Asset/(liability)	580817934	501706515





Movement In Deferred Tax

For the year ended on March 31, 2019				
Particulars	As at April 1, 2018	Credit/(charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at March 31, 2019
Deferred tax assets/(liabilities)				
Related to Fixed Assets	7041	387		7428
Related Income Tax Act, 1961	0	501699087		501699087
<b>TOTAL</b>	<b>7041</b>	<b>501699474</b>	<b>0</b>	<b>501706515</b>
For the year ended on March 31, 2020				
Particulars	As at March 31, 2019	Credit/(charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at March 31, 2020
Deferred tax assets/(liabilities)				
Related to Fixed Assets	7428	(7428)		0
Related Income Tax Act, 1961	501699087	79118847		580817934
<b>TOTAL</b>	<b>501706515</b>	<b>79111419</b>	<b>0</b>	<b>580817934</b>

34. Segment information:

Factors used to identify the entity's reportable segments, including the basis of organization: For management purposes, the Company has only one reportable segment namely, Development of real estate property. The Managing Director of the Company acts as the Chief Operating Decision Maker ("CODM"). The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

1. Information about Products and Services:

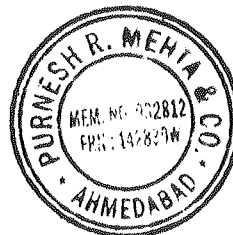
Product/Service	Revenue from the product [AMT. RS.]	
	2019-2020	2018-2019
Real Estate Promotion & Development	2695573727	1844678734

2. Information about Geographical Areas:

Particulars	Within India [AMT. RS.]	
	2019-2020	2018-2019
Revenues	2695573727	1844678734
Non Current Assets	580817934	501730326

3. Information about Major Customers:

Revenue from transactions with a single customer does not amount to 10 percent or more of entity's revenues with any customer.



ESSEM INFRA PRIVATE LIMITED  
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35. Revenue from Contracts with Customers:

Disaggregated Revenue Information:

Particulars	Revenue from the product [AMT. RS.]	
	2019-2020	2018-2019
<b>Types of Product/Service</b>		
Real Estate Promotion & Development	2695573727	1844678734
<b>Geographical Disaggregation:</b>		
Revenues within India	2695573727	1844678734
<b>Timing of revenue recognition wise</b>		
-At a point in time	2695573727	1844678734
-Over the period of time	0	0

**Contract balances:**

The following table provides information about receivables, contracts assets and contract liabilities from contracts with customers:

Particulars	AMT. RS.	
	2019-2020	2018-2019
<b>Contract assets</b>		
Trade Receivables	14006369	28054527
<b>Contract liabilities</b>		
Booking advance received from customers	204222770	1507266976
Customer Booking Refundable	30083657	42439931

**Revenue recognised in relation to contract liabilities**

Particulars	AMT. RS.	
	2019-2020	2018-2019
Revenue recognised that was included in the contract liability balance at the beginning of the period	1381166796	117095309

36. Information Concerning Classification of Securities:

Assets Pledged as security [AMT. RS.]

Particulars	2019-2020	2018-2019
<b>Current</b>		
Financial Asset:		
-First Charge	0	0
-Floating Charge	14006369	28054527
Non-Financial Asset:		
-First Charge	0	0
-Floating Charge	3707734356	6486641685
<b>Non-Current</b>		
First Charge	0	0
<b>Total assets pledged as security</b>	<b>3721740725</b>	<b>6514696212</b>

The details of security offered for the secured loans taken are as follows:

Piramal Capital & Housing Finance Limited:

Charge secured by mortgage of immovable property and interest thereon, maintenance of F.D. with lien and hypothecation of receivables, book debts, outstanding moneys and claims, escrow accounts of projects, etc of the company and its holding company, pledge of shares of promoter of the company, personal guarantee of promoter directors of the company and corporate guarantee / security of holding company. The trustee for the said Loan is IDBI Trusteeship Services Limited in whose name the necessary charge is created.



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37. Related party disclosures:-

1. HOLDING COMPANY:-

Ganesh Housing Corporation Limited.

2. OTHER RELATED PARTIES:-

Homelab Designs Private limited	Ashish Modi - A.Mody Construction Co.
Dr. Tarang Desai	

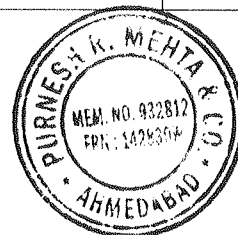
3. KEY MANAGEMENT PERSONNEL:-

Shri Dipakkumar G. Patel
Shri Shekhar G. Patel
Shri Ashish Modi

(Related Party relationship is as identified by the Company and relied upon by the auditors.)

Nature of transactions with related parties and aggregate amount of such transactions for each class of related parties balances outstanding as on 31/03/2020. [AMT. RS.]

PARTICULARS	2019-2020			2018-2019		
	HOLDING COMPANY	OTHER RELATED PARTY	KEY MANAGERIAL PERSON	HOLDING COMPANY	OTHER RELATED PARTY	KEY MANAGERIAL PERSON
<b>Loan Taken</b>						
Ganesh Housing Corporation Limited	2658824169			2872587160		
<b>Trade Payable</b>						
Ganesh Housing Corporation Limited				208800000		
A. Modi Construction Co.– Labour & Work Contract Exp.		108634			707190	
Homelab Designs Pvt. Ltd.		171336				
<b>Advance From Customers</b>						
Dr. Tarang desai		326200			326200	
<b>Expenses</b>						
Labour & Work Contract Exp. To A. Modi Construction Co.		37073			4298196	
Site Maintenance Expenses to Homelab Designs Pvt. Ltd.		7513146				
Ganesh Housing Corporation Limited- Marketing Management Fees				180000000		



**ESSEM INFRA PRIVATE LIMITED**  
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38. Corporate Social Responsibility:  
 The Company has spent Rs. 7299778/- during the year (Previous Year: Rs. 12074195/-) as per the provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities grouped under 'Other Expenses'.

- (a) Gross amount required to be spent by the Company during the year Rs.56000/- (Previous Year: Rs. 6000000/-)
- (b) Amount spent during the year on:

Particulars	Amount Spent in Cash	Amount yet to be paid in Cash	Total Amount
<b>Year ended March 31, 2020</b>			
(i) Construction / Acquisition of any Asset	0	0	0
(ii) On purposes other than (i) above	56000	0	56000
<b>Year ended March 31, 2019</b>			
(i) Construction / Acquisition of any Asset	0		
(ii) On purposes other than (i) above	6000000	0	6000000

39. Standard issued but not yet effective  
 Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2020.
40. World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company suspended the operations in all ongoing projects in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in Project execution, supply chain disruption, unavailability of personnel etc. during the lock-down period.

The Company has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, investment properties, intangible assets, right of use assets, investments, inventory, advances, trade receivable. Deferred taxes, other financial and non financial assets etc. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 pandemic which may be different from that estimated as at the date of approval of these financial statements.

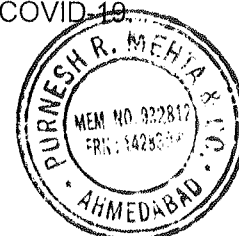
The Central and State Governments have initiated steps to lift the lockdown and the Company will adhere to the same as it resumes its activities. Work has already restarted. Since it is only about ten weeks into the pandemic, the Company will continue to closely observe the evolving scenario and take into account any future developments arising out of the same.

- A. Going Concern Basis:  
 Since 11<sup>th</sup> March 2020, as a consequences of COVID-19 out spread the operation of the company have been partially and adversely affected.

The future plans of the company to start a real estate project got delayed due to lockdown.

However, the management has disclosed that the operations were disrupted for a maximum period of 10 weeks and the company has inherent strength to recover losses caused by such disruption.

Hence, the going concern basis of the Company is not affected by the COVID-19



ESSEM INFRA PRIVATE LIMITED  
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- B. Events occurring after balance sheet:  
From March 11, 2020 the spread of COVID-19 has severely impacted many companies. The operations of our company has also been / are likely to be affected.

However, the company has determined that these events are non adjusting subsequent events. Accordingly the financial position and results of operations as of and for the year ended 31<sup>st</sup> March 2020 have been not adjusted to reflect their impact.

- C. Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property plant & equipments, Intangible assets, Revenue, Foreign Currency Transaction. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the company financial statements may differ from that estimated as at the date of approval of these financial statements.

- D. Cash Flow:

Based on the Company's liquidity position at March 31, 2020 and review of cash flow projections (after applying sensitivity analysis) over the next twelve months, the management believes the Company will have sufficient liquidity to operation its businesses in the ordinary course.

- E. inventories:

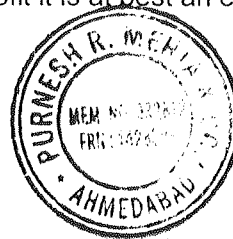
Since March 2020 the spread of COID-19 has severely impacted demand for the products of the company. Your company has carefully evaluated the closing balance of inventory as per AS-2. Your company is of the opinion that the cost price is still lower than the market price and hence the inventory has been valued at cost.

- F. Trade Receivables:

Since March 2020 the spread of COID-19 has severely impacted the liquidity position and profitability of the company. A few of the debtors have not been able to pay their dues as per the schedule. However the company has detailed discussion with the customers and is of the opinion that while payments may get delayed there are no chances of bad debts.

- G. Deferred Tax:

Deferred Tax Assets are recognised for unused tax losses with an assumption that tax profit shall be available against which the said losses can be utilised. Significant management judgment is require to determine the amount of deferred tax assets that can be recognised. Since this involves estimating future taxable profit it is at best an estimate.



ESSEM INFRA PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

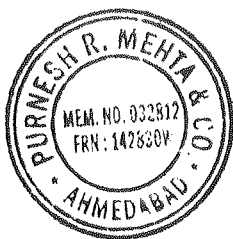
H. Impact of COVID-19:


Management believes that it has taken into account all the known impacts arising from COVID-19 pandemic in the preparation of the financial results. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. Management will continue to monitor any material changes to future economic conditions and the impact thereof on the Company, if any. The eventual outcome of the impact of the COVID-19 pandemic on the Company's business may be different from that estimated as on the date of approval of these financial results.

AS PER OUR REPORT OF EVEN DATE  
FOR PURNESH R. MEHTA & CO.  
CHARTERED ACCOUNTANTS  
FRN:- 142830W

ON BEHALF OF THE BOARD OF DIRECTORS

  
PURNESH MEHTA  
PROPRIETOR  
MEM. NO. 032812  
UDIN:-20032812AAAAABP5918



  
DIPAKKUMAR G. PATEL  
CHAIRMAN  
[DIN: 00004766]

  
SHEKHAR G. PATEL  
DIRECTOR  
[DIN: 00005091]

**PURNESH R. MEHTA & CO.**  
**CHARTERED ACCOUNTANTS**  
7th Floor, B/705, Nirman Complex,  
Opp. Havmor Restaurant,

Navrangpura, Ahmedabad-9.  
PLACE : Ahmedabad  
DATE : 23/06/2020

PLACE : AHMEDABAD  
DATE : 23/06/2020