

ARVIND HOMES PRIVATE LIMITED

ANNUAL ACCOUNTS

2020-2021

**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**ARVIND HOMES PRIVATE LIMITED**  
Ahmedabad.

**Report on the Audit of the financial statements**

**Opinion**

We have audited the financial statements of **ARVIND HOMES PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2021, and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as financial statements).

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, 2021 and Loss, 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Board's report including annexures of Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will 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 material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



### **Responsibilities of Management and Those Charged with Governance 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, changes in equity and cash flows 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application

of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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.

### Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure - A - a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss and Cash flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to our best of our information and according to the explanations given to us :
  - (i) The Company has no pending litigations which would impact its financial position.
  - (ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



(h) With respect to the matter to be included in the Auditor's Report under Section 197(16):

The Company has not paid any remuneration during the current financial year.

**FOR N.R. PATEL & ASSOCIATES.**  
*Chartered Accountants*  
Registration No. 119638W

  
**NAILESH PATEL**  
*Proprietor*

Mem. No. 107210  
UDIN: 21107210AAAABH4037

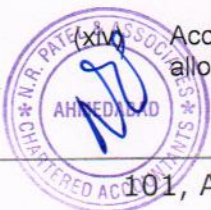
Place : Ahmedabad  
Date : 27<sup>th</sup> May, 2021



**Annexure - A to the Independent Auditors' Report of even date on financial statements of ARVIND HOMES PRIVATE LIMITED**

- (i) According to the information and explanation given to us, the company does not possess fixed assets, hence the provisions of Clause 3(i) of the order are not applicable to company.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of CARO, 2016 is not applicable.
- (iii) The Company has not granted any secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of making investments as applicable. The Company has not granted any loans or provided guarantees and securities.
- (v) According to information and explanations given to us, the Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014. Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company.
- (vi) Maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 for the class of companies to which the Company belongs.
- (vii) (a) According to the information given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues and Company had no arrears of such outstanding statutory dues as at 31<sup>st</sup> March, 2021 for a period more than six months from the date they became payable.  
(b) According to the information and explanations given to us, the company has no disputed outstanding statutory dues as at 31<sup>st</sup> March, 2021.
- (viii) According to the information and explanation given to us, the company has not taken any loans or borrowings from financial institutions, bank and government and has not issued any debentures. Hence reporting under clause (viii) of CARO, 2016 is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year or term loans and hence reporting under clause (ix) of CARO 2016 is not applicable to the company.
- (x) According to the information and explanations given to us, no fraud by company or any fraud on the company by its officers and employees have been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us the company has not paid any managerial remuneration during the year. Hence Reporting under clause (xi) of CARO 2016 is 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. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



- (xv) According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**FOR N.R. PATEL & ASSOCIATES.**  
*Chartered Accountants*  
Registration No. 119638W

*Nailesh Patel*

**NAILESH PATEL**  
*Proprietor*

Mem. No. 107210

UDIN: 21107210AAAABH4037

Place : Ahmedabad  
Date : 27<sup>th</sup> May, 2021



**Annexure - B to the Independent Auditors' Report of even date on the Financial Statements of Arvind Homes Pvt Ltd.**

**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 **Arvind Homes Pvt Ltd** ("the Company") as of 31 March 2021 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.

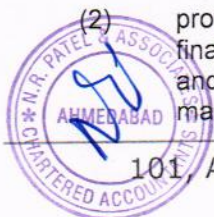
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal 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.

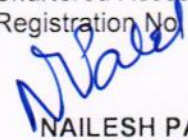
**Opinion**

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 31<sup>st</sup> March 2021, 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 : 27<sup>th</sup> May, 2021

**FOR N.R. PATEL & ASSOCIATES.**

*Chartered Accountants*  
Registration No. 119638W



**NAILESH PATEL**

*Proprietor*

Mem. No. 107210

UDIN: 21107210AAAABH4037



**Arvind Homes Private Limited**  
**Balance Sheet as at 31st March, 2021**

(Amount in INR, unless stated otherwise)

	Notes	As at 31st March, 2021	As at 31st March, 2020
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	3	4 66 827	0
Deferred tax asset (net)		1 45 696	0
Other non- current assets	4	0	0
<b>Current Assets</b>			
Inventories	6	40 54 37 204	0
Financial Assets			
Cash and cash equivalents	5	18 57 095	2 28 582
Other current assets	4	9 03 72 556	37 800
<b>Total Current Assets</b>		<u>49 76 66 854</u>	<u>2 66 382</u>
<b>Total Assets</b>		<u>49 82 79 377</u>	<u>2 66 382</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	7	8 01 00 000	1 00 000
Other Equity	8	13 32 47 426	( 38 48 118)
<b>Total Equity</b>		<u>21 33 47 426</u>	<u>( 37 48 118)</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings			
<b>Total non-current liabilities</b>		<u>15 02 85 151</u>	<u>0</u>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings			
Trade Payables	9	9 85 40 423	36 00 000
Dues to Micro, Small and Medium Enterprises		0	0
Dues to others	10	3 46 56 253	32 700
Other Current Liabilities	11	14 50 124	3 81 800
<b>Total Current Liabilities</b>		<u>3 61 06 377</u>	<u>4 14 500</u>
<b>Total Equity and Liabilities</b>		<u>49 82 79 377</u>	<u>2 66 382</u>
Summary of Significant Accounting Policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For N. R. PATEL & ASSOCIATES**  
ICAI Firm Registration No. 119638W  
Chartered Accountants

**NAILESH R. PATEL**  
Proprietor  
Membership No. : 107210  
Place : Ahmedabad  
Date : 27th May,2021



**For and on Behalf of Board of Directors of**  
**Arvind Homes Private Limited**



**Ankit Jain**  
Director  
DIN: 08781707  
Place : Ahmedabad  
Date : 27th May,2021

**Prakash Makwana**  
Director  
DIN: 00008382  
Place : Ahmedabad  
Date : 27th May,2021

**Arvind Homes Private Limited**  
**Statement of Profit and Loss for period ended on 31st March, 2021**

(Amount in INR, unless stated otherwise)

	Notes	For the year 2020-21	For the year 2019-20
<b>Income</b>			
Revenue From Operations		0	0
Other Income		0	0
<b>Total Income (I)</b>		<b>0</b>	<b>0</b>
<b>EXPENSES</b>			
Land development costs / rights		39 17 14 000	0
Construction and labour costs		1 26 743	0
Changes in Inventories	12	(4054 37 204)	0
Finance Cost	13	76 86 209	0
Depreciation		5 173	0
Other Expenses	14	80 74 381	38 48 118
<b>Total Expenses (II)</b>		<b>21 69 302</b>	<b>38 48 118</b>
<b>Profit/(Loss) Before Tax (III)=(I-II)</b>		<b>(21 69 302)</b>	<b>(38 48 118)</b>
<b>Tax expense:</b>			
Current Tax		0	0
Deferred Tax		( 1 45 696)	0
<b>Profit/(Loss) for the year (IV)</b>		<b>(20 23 606)</b>	<b>(38 48 118)</b>
<b>Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income for the year, net of tax (V+VI)</b>		<b>( 20 23 606)</b>	<b>( 38 48 118)</b>
<b>Earnings per equity share (nominal value per share Rs. 10/-)</b>			
	15		
Basic		(0.25)	(384.81)
Diluted		(0.25)	(384.81)

**Summary of Significant Accounting Policies**

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

**For N. R. PATEL & ASSOCIATES**  
ICAI Firm Registration No. 119638W  
Chartered Accountants

**For and on Behalf of Board of Directors of  
Arvind Homes Private Limited**

*NAILESH R. PATEL*

**NAILESH R. PATEL**  
Proprietor  
Membership No. : 107210  
Place : Ahmedabad  
Date : 27th May,2021



*Ankit Jain*

**Ankit Jain**  
Director  
DIN: 08781707  
Place : Ahmedabad  
Date : 27th May,2021

*Prakash Makwana*

**Prakash Makwana**  
Director  
DIN: 00008382  
Place : Ahmedabad  
Date : 27th May,2021



**Arvind Homes Private Limited**  
**Cash Flow Statement for the year ended on 31st March, 2021**

(Amount in INR, unless stated otherwise)

Particulars	For the year 2020-21	For the year 2019-20
<b>A. Cash flow from operating activities</b>		
Loss for the year before taxation and exceptional items	( 20 23 606)	( 38 48 118)
Adjustments for :		
Depreciation and amortization expense	5 173	0
Finance cost	76 86 209	0
Deferred Tax Liability	( 1 45 696)	0
<b>Operating profit before working capital changes</b>	<b>55 22 080</b>	<b>( 38 48 118)</b>
Adjustments for:		
increase in trade payables	10 68 324	3 81 800
increase in other liabilities	3 46 23 553	32 700
(Increase) in short term loans and advances	(9 03 34 756)	( 37 800)
(Increase) in other non current assets	0	
(Increase) in inventories	(40 54 37 204)	
Cash generated from operations	<b>(45 45 58 003)</b>	<b>( 34 71 418)</b>
Direct taxes paid	-	-
<b>Net cash used in operating activities</b>	<b>[A] (45 45 58 003)</b>	<b>( 34 71 418)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Plant, Property & Equipment	( 4 72 000)	0
<b>Net cash used in investing activities</b>	<b>[B] ( 4 72 000)</b>	<b>0</b>
<b>c. Cash flow from financing activities</b>		
Issue of Shares	7 88 50 500	1 00 000
Issue of Compound Financial Instrument (OCD)	29 05 53 801	0
Receipt of Inter Corporate Deposits	8 72 54 215	36 00 000
<b>Net cash flow from financing activities</b>	<b>[C] 45 66 58 516</b>	<b>37 00 000</b>
<b>Net Increase in cash and cash equivalents</b>	<b>[A+B+C] 16 28 513</b>	<b>2 28 582</b>
Cash and cash equivalents opening	2 28 582	-
Cash and cash equivalents closing	18 57 095	2 28 582
<b>Components of Cash and cash Equivalents (Refer note - 3)</b>		
Cash and cash equivalents	5 550	
Balances with Banks	18 51 545	2 28 582
	<b>18 57 095</b>	<b>2 28 582</b>

Summary of Significant Accounting Policies

2.1

**Explanatory Notes to Cash Flow Statement**

- The Cash Flow Statement has been prepared under the Indirect method as set out in IND As- 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act Companies Indian Accounting Standards Rules, 2015 as amended).
- Figures in brackets indicate cash outflow. The above statement of cash flow should be read in conjunction with the accompanying notes.

As per our report of even date

**For N. R. PATEL & ASSOCIATES**

ICAI Firm Registration No. 119638W

Chartered Accountants

**NAILESH R. PATEL**

Proprietor

Membership No. : 107210

Place : Ahmedabad

Date : 27th May, 2021



For and on behalf of Board of Directors of  
**Arvind Homes Private Limited**

*Ankit Jain*

**Ankit Jain**  
 Director

DIN: 08781707

Place : Ahmedabad

Date : 27th May, 2021

*Prakash Makwana*

**Prakash Makwana**  
 Director

DIN: 00008382

Place : Ahmedabad

Date : 27th May, 2021

**Arvind Homes Private Limited**

**Statement of Changes in Equity for year ended on 31st March, 2021**

(Amount in INR, unless stated otherwise)

**A Equity share capital (Refer Note 7)**

Particulars	No. of shares	Amount
As at March 31, 2020	10 000	1,00,000.00
Issue of Equity Share capital	80 00 000	8 00 00 000
As at March 31, 2021	80 10 000	8 01 00 000

**B Other Equity**

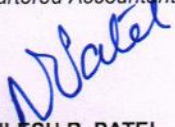
Particulars (Refer Note 8)	Reserves & Surplus	Total other equity
As at 1st April 2020	( 38 48 118)	( 38 48 118)
Profit / (Loss) for the year	( 20 23 606)	( 20 23 606)
Less: Cost of raising equity	( 11 49 500)	( 11 49 500)
Equity Component of Compound Financial Instrument	14 02 68 650	14 02 68 650
As at 31st March, 2021	<b>13 32 47 426</b>	<b>13 32 47 426</b>

Summary of Significant Accounting Policies **2.1**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For N. R. PATEL & ASSOCIATES**  
ICAI Firm Registration No. 119638W  
Chartered Accountants



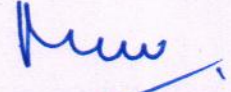
**NAILESH R. PATEL**  
Proprietor  
Membership No. : 107210  
Place : Ahmedabad  
Date : 27th May, 2021



**For and on Behalf of Board of Directors of  
Arvind Homes Private Limited**



**Ankit Jain**  
Director  
DIN: 08781707  
Place : Ahmedabad  
Date : 27th May, 2021



**Prakash Makwana**  
Director  
DIN: 00008382  
Place : Ahmedabad  
Date : 27th May, 2021



## ARVIND HOMES PRIVATE LIMITED

### Notes forming part of accounts

---

#### 1. Corporate Information

Arvind Homes Private Limited, a Company incorporated during the year under consideration in India, is wholly owned subsidiary of Arvind SmartSpaces Limited (Formerly Arvind Infrastructure Limited). Currently company is not engaged in any business activities.

The standalone Ind AS financial statements were authorized for issue in accordance with a resolution of the directors on 27/05/2021.

#### 2. Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. The standalone financial statements of the Company are prepared and presented in accordance with Ind AS.

The standalone financial statements for the year ended March 31, 2021 are financial statements prepared and presented by the Company in accordance with Ind AS.

The financial statements have been prepared on the historical cost basis, except certain financial assets and liabilities measured at fair value at the end of reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

#### 2.1 Significant Accounting Policies

##### (a) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities. The effect of change in an accounting estimate is recognized prospectively.

##### (b) Inventory / Work in Progress

- (i) Work in Progress represents the cost incurred in respect of unsold area of the Project and cost incurred on Project where the revenue is yet to be recognized.
- (ii) Inventory comprising of construction materials is valued at cost.
- (iii) Direct expenditure relating to development of project is inventoried. Indirect expenditure (including borrowing costs) during the period of project is inventoried to the extent the expenditure is indirectly related to construction or is incidental thereto, Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the profit and loss account.



## ARVIND HOMES PRIVATE LIMITED

### Notes forming part of accounts

---

#### (c) Current versus non-current classification

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

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least  
Twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the  
reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### (d) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

#### (e) Segment reporting

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

#### (f) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) 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 dilutive potential equity shares.



**Arvind Homes Private Limited**  
**Notes to financial statements for the period ended 31st March, 2021**

**3 Property, Plant & Equipment**

Description of Assets	Gross Block at Cost				Depreciation / Amortisation		Net Book Value		
	As at April 01, 2020	Additions during the period	Deletions/ Adjustment during the period	As at March 31, 2021	Up to April 01, 2020	Charge of the year	Up to March 31, 2021	As at March 31, 2020	As at March 31, 2021
Furniture & Fixture	-	4 72 000	-	4 72 000	-	5 173	5 173	-	4 66 827
<b>Total :</b>	-	4 72 000	-	4 72 000	-	5 173	5 173	-	4 66 827
Previous Year	-	-	-	-	-	-	-	-	-

[Amount in ₹]





**Arvind Homes Private Limited**  
Notes to financial statements for the year ended 31st March, 2021

(Amount in INR, unless stated otherwise)

**4 Other Assets**

(Considered good and Unsecured)

Particulars

Particulars	Non-Current portion		Current portion	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Advance against land	0	0	8 61 58 786	0
Advance with contractors and vendors	0	0	1 770	0
Other Recoverables	0	0	42 12 000	0
Balance with Government Authorities	0	0	0	37 800
	0	0	9 03 72 556	37 800

**5 Cash and Cash Equivalents (at amortised cost)**

Particulars

Particulars	31st March 2021	31st March 2020
Cash in hand	5 550	0
Balances with banks	18 51 545	2 28 582
	18 57 095	2 28 582

**6 Inventories (At lower of cost and net realisable value)**

Particulars

Particulars	31st March 2021	31st March 2020
Construction work-in-progress	40 54 37 204	0
	40 54 37 204	0

**7 Share Capital**

Particulars

Particulars	31st March 2021	31st March 2020
(a) Authorised 1,00,00,000 Equity Shares of Rs. 10/- each	10 00 00 000	1 00 00 000
(b) Issued, subscribed and fully paid-up 80,10,000 Equity Shares of Rs. 10/- each	8 01 00 000	1 00 00 000

**(c) Reconciliation of shares outstanding at the beginning and at the end of the reporting year**

Particulars

Particulars	31st March 2021		31st March 2020	
	No. of Shares	Amount	No. of Shares	Amount
As at the beginning of the year	10 000	1 00 000	0	0
Add: Shares issued for Cash or Right Issue or Bonus	80 00 000	8 00 00 000	10000	1 00 000
Add: Exercise of shares under ESOP / ESOS	0	0	0	0
Add: Shares issued in Business Combination	0	0	0	0
	80 10 000	8 01 00 000	10 000	1 00 000
Less: Shares Bought Back / Redemption etc.	0	0	0	0
As at the end of the year	80 10 000	8 01 00 000	10 000	1 00 000

**(d) Terms/Rights attached to the equity shares**

(i) The company has only one class of shares referred to as equity shares having a par value of '10/-'. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rs. The dividend recommend by Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting.

(ii) In the event of liquidation of the company the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

**(d) Shares held by holding company & details of shareholders holding more than 5% shares**

Name of the shareholder	31st March 2021		31st March, 2020	
	No. of Shares	% Holding	No. of Shares	% Holding
Number of Shares held by Holding Company Arvind SmartSpaces Limited (With Nominee)	80 10 000	100%	10 000	100%
Shareholders holding more than 5% shares Arvind SmartSpaces Limited (With Nominee)	80 10 000	100%	10 000	100%

**8 Other Equity**

Particulars

Particulars	31st March 2021	31st March 2020
Surplus in the statement of profit and loss		
Balance at the beginning of the year	(38 48 118)	0
Add: Profit / (Loss) for the year	(20 23 606)	(38 48 118)
Less: Cost of raising equity	(11 49 500)	0
Balance at the end of the year	(70 21 224)	(38 48 118)
Equity Component of Compound Financial Instrument	14 02 68 650	0
Total Other Equity	13 32 47 426	(38 48 118)



**Arvind Homes Private Limited**  
Notes to financial statements for the year ended 31st March, 2021

(Amount in INR, unless stated otherwise)

**9 Borrowings**

Particulars	Non-Current portion		Current portion	
	31st March, 2021	31st March, 2020	31st March 2021	31st March 2020
Liability Component of Compound Financial Instrument	15 02 85 151	0	0	0
Inter Corporate Deposit (repayable on demand)	0	0	9 85 40 423	36 00 000
	<b>15 02 85 151</b>	<b>0</b>	<b>9 85 40 423</b>	<b>36 00 000</b>

**10 Trade Payables (at amortised cost)**

Particulars	Current portion	Current portion
	31st March 2021	31st March 2020
For Goods and services	43 16 253	32 700
For Land	3 03 40 000	0
	<b>3 46 56 253</b>	<b>32 700</b>

1. Trade payables for goods and services are non-interest bearing and are normally settled in 45-day terms
2. Refer note no. 12 for due to Micro, Small and Medium Enterprise

**11 Other Liabilities**

Particulars	Current portion	Current portion
	31st March 2021	31st March 2020
Statutory Dues	14 50 124	3 81 800
	<b>14 50 124</b>	<b>3 81 800</b>

**12 Changes in Inventories**

Particulars	For the year	For the year
	2020-21	2019-20
<b>Closing Stock</b>		
Construction work-in-progress	40 54 37 204	0
<b>Opening Stock</b>		
Construction work-in-progress	0	0
<b>Decrease / (Increase) in inventories</b>	<b>40 54 37 204</b>	<b>0</b>

**13 Finance Cost**

Particulars	For the year	For the year
	2020-21	2019-20
Interest on Inter Corporate Deposit	71 32 408	0
Unwinding Interest Cost on Compound Financial Instrument	5 53 801	0
	<b>76 86 209</b>	<b>0</b>

**14 Other Expenses**

Particulars	For the year	For the year
	2020-21	2019-20
Auditors' Remuneration (*)	30 000	30 000
Legal & Professional Fees	65 48 557	38 15 000
Preliminary Expenses	0	3 000
Interest on Late Payment of TDS	80 338	0
Advertisement & Brokerage	1 42 800	0
Secretarial Expense	41 233	0
Loading & Unloading Expenses	5 400	0
Rates & Taxes	12 03 902	0
Miscellaneous Expenses	22 151	118
	<b>80 74 381</b>	<b>38 48 118</b>
<b>*Payment to Auditors</b>		
Statutory Audit Fees	30 000	30 000
	<b>30 000</b>	<b>30 000</b>

**15 Earnings per share**

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the Holding Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year	For the year
	2020-21	2019-20
Earnings per share (Basic and Diluted)		
Net Loss after tax	(20 23 606)	(38 48 118)
Weighted average number of equity shares (Nos)	10 000	10 000
Nominal value of the share (*)	10	10
Basic earnings per share	(202.36)	(384.81)

**16 Due to Micro Small and Medium Enterprise**

Based on information available with company, there are no suppliers who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprise Development Act, 2006" (Act) till 31<sup>st</sup> March, 2020. Accordingly no disclosures are required to be made under said Act.

**17 Commitments and Contingencies**

The management of the entity represents that based on the information available, the company has no commitments and contingent liabilities at year end which may have a material impact on financial statement in future.



(Amount in INR, unless stated otherwise)

**18 Segment Reporting**

The company operates within a solitary business segment i.e. Developing of commercial and residential units, the disclosure requirements of INDAS – 108 "Operating Segment" is not reported separately.

**19 Capital Management**

The company's objectives of capital management is to maximize the shareholder value. In order to maintain or adjust the capital structure, the company may adjust the return to shareholders, issue/ buyback shares or sell assets to reduce debt. The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.



**Arvind Homes Private Limited**  
**Notes to financial statements for the year ended 31st March, 2021**

(Amount in INR, unless stated otherwise)

**20 Financial risk management objectives and policies**

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks and ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**1. Credit Risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The carrying amount of following financial assets represents the maximum credit exposure.

**Trade receivables**

**Receivables resulting from sale of properties:** Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the company's credit risk in this respect.

The ageing of trade receivables is as follows:

Particulars	31st March 2021
More than 6 months	-
Others	-
<b>Total receivables</b>	<b>-</b>

**2. Liquidity Risk**

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments:

Particulars	On demand	3 months to 1 year	Total
<b>Year ended 31st March, 2021</b>			
Trade payables	-	43,16,253	43,16,253
	-	<b>43,16,253</b>	<b>43,16,253</b>



**Arvind Homes Private Limited**  
**Notes to financial statements for the year ended 31st March, 2021**

(Amount in INR, unless stated otherwise)

**21 Disclosure pursuant to Related Party**

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the company are as follows :

**A. Name of related parties and nature of relationship :**

Entity name	Relationship
Arvind SmartSpaces Limited	Holding Company
Ankit Jain	Key Managerial Personnel
Prakash Makwana	Key Managerial Personnel

**B. Disclosure in respect of total amount of transactions that have been entered into with related parties :**

Particulars	31st March, 2021
<b>Inter Corporate Deposits taken during the year</b>	
Arvind SmartSpaces Limited	8 78 08 016
<b>Interest on Current Contribution</b>	
Arvind SmartSpaces Limited	71 32 408
<b>Reimbursement of expenses received</b>	
Arvind SmartSpaces Limited	15 80 691

**C. Disclosure in respect of outstanding balance as at 31st March, 2021 :**

Particulars	31st March, 2021
<b>Inter Corporate Deposits</b>	
Arvind SmartSpaces Limited	9 85 40 423
<b>For Goods &amp; Services</b>	
Arvind SmartSpaces Limited	15 80 691

1) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The company has not recorded any provision/ write-off of receivables relating to amounts owed by related parties.

2) In respect of the transactions with the related parties, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 where applicable, and the details have been disclosed above, as required by the applicable accounting standards.

**C. Commitments with related parties :**

The management of the entity represents that based on the information available, the company has no commitments and contingent liabilities towards related parties at year end which may have a material impact on financial statement in future.



**ARVIND HOMES PRIVATE LIMITED**

**Notes forming part of accounts**

**22. Fair Value Measurements**

[Amount in Rs.]

Particulars	March 31, 2021		
	Amortized Cost	FVTPL	FVTOCI
<b>Financial Assets</b>			
Cash and Cash Equivalents	18,57,095	--	--
<b>Total Financial Assets</b>	<b>18,57,095</b>	--	--
<b>Financial Liabilities</b>			
Other Current Liabilities - Inter Corporate Deposit	9,85,40,423	--	--
Trade Payables	3,46,56,253	--	--
<b>Total Financial Liabilities</b>	<b>13,31,96,676</b>	--	--

**A. Financial Instruments by category**

[Amount in Rs.]

Particulars	March 31, 2020		
	Amortized Cost	FVTPL	FVTOCI
<b>Financial Assets</b>			
Cash and Cash Equivalents	2,28,582	--	--
<b>Total Financial Assets</b>	<b>2,28,582</b>	--	--
<b>Financial Liabilities</b>			
Other Current Liabilities - Inter Corporate Deposit	36,00,000	--	--
Trade Payables	32,700	--	--
<b>Total Financial Liabilities</b>	<b>36,32,700</b>	--	--

**Fair value of financial assets and liabilities measured at amortized cost**

The Management has assessed that fair value of cash and cash equivalents, Other Current Liabilities in the form of Inter Corporate Deposit and Trade payables approximate their carrying amounts largely due to their short-term nature. Difference between carrying amount of cash and cash equivalents, Borrowing and Trade Payables subsequently measured at amortised cost is not significant.

**23. Statement of Management**

- (a) The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary course business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary.
- (b) Balance sheet, Statement of Profit and Loss and Cash flow statement read together with Notes to the accounts thereon, are drawn up so as to disclose information required under the Companies Act, 2013 as well as true and fair view of the statement of affairs of the Company as at the end of the period and results of the company at the end of the period.



**ARVIND HOMES PRIVATE LIMITED**

**Notes forming part of accounts**

---

24. Previous year figures have been regrouped, reworked and reclassified wherever necessary.

As per our attached report of even date.

**FOR N.R. PATEL & ASSOCIATES**

Chartered Accountants  
Registration no. 19638W

*N Patel*  
**NAILESH PATEL**  
Proprietor  
Mem No: 107210



Date : 27<sup>th</sup> May, 2021  
Place : Ahmedabad

**FOR AND ON BEHALF OF THE BOARD**

*A Jain*

**ANKIT JAIN**  
Director  
DIN : 08781707

*P Makwana*

**PRAKASH MAKWANA**  
Director  
DIN: 00008382

Date : 27<sup>th</sup> May, 2021  
Place : Ahmedabad

