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Dated: 31.07.2020

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**RITESH PROPERTIES AND INDUSTRIES LIMITED**

**Report on the Audit of the Standalone Financial Statements**

### Opinion

We have audited the accompanying financial statements of **Ritesh Properties and Industries Limited** (*"the Company"*) which comprises the Balance Sheet as at March 31, 2020, 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 profit/loss, total comprehensive income, the 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone financial statements

### Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



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Sr. No.	Key Audit Matter	Auditor's Response
1.	<p><b>Revenue Recognition</b></p> <p>Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognized when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred. Refer Note 2 (l) to of the Financial Statements - Significant Accounting Policies</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> <li>• Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof.</li> <li>• Evaluating the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls.</li> <li>• Evaluating the design and implementation of Company's controls in respect of revenue recognition.</li> <li>• Testing the effectiveness of such controls over revenue cut off at year-end.</li> <li>• Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognized in the correct period.</li> <li>• Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing</li> </ul>
2.	<p><b>Litigations - Contingencies</b></p> <p>The Company has ongoing litigations with various authorities and third parties which could have a significant impact on the results, if the potential exposures were to materialise. The amounts involved are significant, and the application of accounting standards to determine the amount, if any, to be provided as a liability or disclosed as a contingent liability, is inherently subjective. Claims against the Company not acknowledged as debts are disclosed in the Financial Statements by the Company after a careful evaluation of the facts and legal aspects of the matters involved. The outcome of such litigation is uncertain and the position taken by management involves significant judgment and estimation to determine the likelihood and/or timing of cash outflows and the interpretation of preliminary and pending court rulings. Refer Note 2 (j) to the Financial Statements - Significant Accounting Policies</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> <li>• Assessing the appropriateness of the design and implementation of the Company's controls over the assessment of litigations and completeness of disclosures. Supporting documentation are tested for the positions taken by the management, meetings are conducted with in-house legal counsel and/or legal team and minutes of Board and sub-committee meetings are reviewed, to confirm the operating effectiveness of these controls.</li> <li>• Involving our direct and indirect tax specialists to assess relevant historical and recent judgments passed by the appropriate authorities in order to challenge the basis used for the accounting treatment and resulting disclosures.</li> <li>• Additionally, considering the effect of new information in respect of contingencies as at 1st April, 2019 to evaluate whether any change was required in the management's position on these contingencies as at 31st March, 2020.</li> </ul>





### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is 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 auditor's 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.

### **Responsibilities of Management for the Standalone 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, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 implementation and maintenance of 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 statement 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.

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

### **Auditor's Responsibilities for the Audit of Financial Statement**

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.

A further description of the auditor's responsibilities for the audit of the financial statements is included in **Annexure A**. This description forms part of our auditor's report.



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## 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 Companies Act, 2013, we give in the **Annexure B** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including comprehensive income, statement of changes in equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the 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 Control with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
  - 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, refer clause (xi) of "Annexure B" to the Independent Auditor's report on the financial statements.
  - 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations, if any, on its financial position in accordance with the generally accepted accounting practices.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: New Delhi  
Date: 31.07.2020



For **SM Mathur & Co**  
Chartered Accountants  
FRNo.006588N

(S.M.Mathur)  
Prop.  
M. No. 013066

UDIN: 20013066AAAAABX3596

## ANNEXURE – 'A' TO THE AUDITOR'S REPORT

### Responsibilities for Audit of Financial Statement

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 financial 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 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 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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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 auditor's 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.

**Place: New Delhi**  
**Date: 31.07.2020**



**For SM Mathur & Co**  
Chartered Accountants  
FRNo.006588N

  
( S. M. Mathur )  
Prop.

M. No-013066  
**UDIN: 20013066AAAABX3596**

## Annexure-B to the Auditors' Report

The Annexure-B referred to paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of **M/s RITESH PROPERTIES AND INDUSTRIES LIMITED** (the Company') for the year Ended on **31<sup>st</sup> March 2020**. We report that:

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.  
  
(b) The Property, Plant and Equipment were physically verified during the year by the Management in accordance with a phased programme of verification, which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals having regard to the size of the Company, nature and value of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.  
  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company.
- (ii) The inventory has been physically verified by the management at reasonable intervals. No material discrepancies noticed on verification between the physical stocks and book records.
- (iii) The company has granted unsecured loans to four bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act')
  - (a) In our opinion, the rate of interest and other terms and conditions on which the unsecured loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company
  - (b) According to the information and explanations given to us and based on the audit procedures conducted by us, the unsecured loans granted to the bodies corporate are repayable on demand. The borrowers have been regular in payment of loan demand.
  - (c) There are no overdue amounts in respect of the unsecured loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- (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, with respect to the loans and investments made, guarantees and securities given. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits from the public within the meaning of the directives issued the Reserve Bank of India, Provision of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, Employees State Insurance, income-tax, TDS, GST and other material statutory dues as applicable with appropriate authorities.  
  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, Employees State Insurance, income tax, GST and other material statutory dues were in arrears as at 31 March, 2020 for a period of more than six months from the date they became payable.



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- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any bank, financial institute. Further, the Company does not issue any debentures.

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and according to the information and explanations given by the management, the Company has notarized any money way of initial public offer/further public offer/debt instruments and term loans and hence, reporting under clause (ix) is not applicable to the Company.

- (ix) During the course of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practice in India and according to the information and explanations given to us, no fraud (i.e. intentional material misstatement resultant from fraudulent financial reporting and misappropriation of assets) on or by the company has been noticed or reported during the year by the company.
- (x) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xi) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the CARO 2016 Order is not applicable to the Company.
- (xii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable Ind AS.
- (xiii) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence paragraph 3(xiv) of the Order is not applicable to the Company.
- (xiv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him referred to in section 192 of companies Act, 2013. Accordingly, paragraph 3 (xv) of the Order are not applicable to the Company.
- (xv) The company is not required to be registered under section 451A of the Reserve Bank of India Act, 1934 and accordingly, paragraph 3(xvi) of the order are not applicable to the company.

Place: New Delhi  
Date: 31.07.2020



For S. M. Mathur & Co  
Chartered Accountants  
FRN 006588N

(S. M. Mathur)  
Prop.

M. No.013066

UDIN: 20013066AAAA BX3596



## **Annexure-C to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of M/s Ritesh Properties & Limited ("the Company") as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

### **Management's Responsibility for the Financial Statements**

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.

### **Auditor's 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.

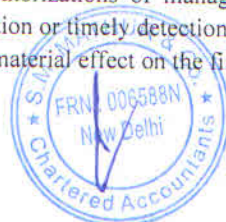
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal 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 pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company

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 authorizations of management and directors of the company and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



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### **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.

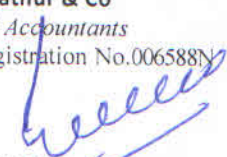
### **Opinion**

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 31st March, 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: New Delhi  
Date: 31.07.2020



For SM Mathur & Co  
Chartered Accountants  
Firm's Registration No.006588N

  
(S.M. Mathur)  
Prop.

M. No-013066  
UDIN: 20013066AAAAABX3596



**RITESH PROPERTIES AND INDUSTRIES LIMITED**

CIN No: L74899DL1987PLC027050

REGD. OFF. 11/5B, FIRST FLOOR, PUSA ROAD, NEW DELHI

Email Id: riteshlimited8@gmail.com

**BALANCE SHEET AS ON 31ST MARCH, 2020**

(In Rupees)

Particulars	NOTES	Figures as at 31.03.2020	Figures as at 31.03.2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	34,041,230	23,650,079
<b>Financial Assets</b>			
(i) Investments	4	110,795,314	154,460,248
(ii) Other Non Current Financial Assets	5	1,886,435	-
Other non-current assets	6	264,702	-
<b>Total Non-current assets</b>		<b>146,987,681</b>	<b>178,110,327</b>
<b>Current assets</b>			
Inventories	7	159,828,496	113,188,697
<b>Financial Assets</b>			
(i) Investments	8	103,310	103,310
(ii) Trade receivables	9	122,147,517	604,323,751
(iii) Cash and cash equivalents	10	1,316,987	5,059,203
(vi) Loans	11	115,288,923	194,866,292
(v) Other Current Financial Assets	12	270,167	1,529,736
Current Tax Assets (Net)	13	3,221,577	4,491,456
Other current assets	14	5,439,051	5,733,758
<b>Total Current assets</b>		<b>407,616,028</b>	<b>929,296,202</b>
<b>Total Assets</b>		<b>554,603,709</b>	<b>1,107,406,529</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	15	115,909,580	115,909,580
Other Equity	16	201,879,792	196,413,180
<b>Total Equity</b>		<b>317,789,372</b>	<b>312,322,760</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	17	13,906,967	4,232,498
(ii) Other financial liabilities	18	32,199,846	14,600,000
Deferred Tax Liabilities (Net)	19	161,910	-
Provisions	20	2,405,037	-
Other non-current liabilities	21	7,755,718	6,829,018
<b>Total Non-current Liabilities</b>		<b>56,429,478</b>	<b>25,661,516</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	22	34,830,314	43,713,323
(ii) Trade payables	23	139,861,453	722,382,864
(iii) Other financial liabilities (other than those specified in item (c))	24	5,693,092	3,326,066
Other current liabilities		180,384,860	769,422,254
<b>Total Current Liabilities</b>		<b>236,814,337</b>	<b>795,083,769</b>
<b>Total Liabilities</b>		<b>554,603,709</b>	<b>1,107,406,529</b>

**Significant Accounting Policies and Notes to Accounts**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **S. M. Mathur & Co.**

(FRNo.006588N)

Chartered Accountants

1 to 32

**(S. M. Mathur)**

Prop.

Membership No.013066

Place: New Delhi

Dated : 31.07.2020



**(Sanjeev Arora)**  
DIN:00077748  
Chairman cum  
Mg. Director

**(Kavya Arora)**  
DIN:02794500  
Executive Director  
& CFO

**(Roop Kishore Fathepuria)**  
DIN:00887774  
Executive Director

**(Tarandeep Kaur)**  
(ACS42144)  
Company Secretary



**RITESH PROPERTIES AND INDUSTRIES LIMITED**  
**CIN No: L74899DL1987PLC027050**  
**REGD. OFF. 11/5B, FIRST FLOOR, PUSA ROAD, NEW DELHI**  
**Email Id: riteshlimited8@gmail.com**

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2020**

(In Rupees)

Particulars	NOTES	Figures as at 31.03.2020	Figures as at 31.03.2019
Revenue From Operations	25	947,935,389	1,047,478,543
Other Income	26	79,637,596	20,191,207
<b>Total Income (I+II)</b>		<b>1,027,572,986</b>	<b>1,067,669,750</b>
<b>EXPENSES</b>			
Cost of materials consumed	27	956,060,269	992,604,400
Employee benefits expense	28	25,524,991	25,265,427
Finance costs	29	2,976,663	4,076,631
Depreciation and amortization expense	30	3,655,625	2,688,047
Other expenses	31	31,222,376	33,900,902
<b>Total expenses (IV)</b>		<b>1,019,439,924</b>	<b>1,058,535,407</b>
Profit/(loss) before exceptional, extraordinary items and tax (I-IV)		8,133,062	9,134,343
Exceptional and Extraordinary Items		-	-
<b>Profit/(loss) before tax (V-VI)</b>		<b>8,133,062</b>	<b>9,134,343</b>
Tax expense:			
(1) Current tax		161,910	-
(2) Deferred tax		2,504,540	-
(3) Prior Period Items		-	-
<b>Net Profit (Loss) for the period from Continuing Operations (VII-VIII)</b>		<b>5,466,613</b>	<b>9,134,343</b>
Profit/(loss) from discontinued operations before tax		-	-
Tax expense of discontinued operations		-	-
<b>Net Profit/(loss) from discontinued operations after tax (X-XI)</b>		<b>5,466,613</b>	<b>9,134,343</b>
<b>Profit/(loss) for the period (IX+XII)</b>		<b>5,466,613</b>	<b>9,134,343</b>
Other Comprehensive Income :-			
Items that will not be reclassified to profit or loss			
Income tax relating to items that will not to be reclassified to profit or loss.		-	-
Items that will be reclassified to profit or loss			
Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>5,466,613</b>	<b>9,134,343</b>
<b>Paid Up Equity Share Capital (Face Value Rs. 10 Each)</b>		<b>115,909,580</b>	<b>115,909,580</b>
Earnings per equity share (for continuing operation):			
(1) Basic		0.47	0.79
(2) Diluted		0.47	0.79
Earnings per equity share (for discontinued operation):			
(1) Basic		-	-
(2) Diluted		-	-
Earnings per equity share (for discontinued & continuing operations)	32		
(1) Basic		0.47	0.79
(2) Diluted		0.47	0.79

**Significant Accounting Policies and Notes to Accounts** 1 to 32

The accompanying notes are an integral part of the financial statements  
 As per our report of even date  
 For **S M Mathur & Co.**  
 (FRNo. D06588N)  
 Chartered Accountants

(S M Mathur)  
 Prop.  
 Membership No. 013066



Place: New Delhi  
 Dated : 31.07.2020

(Sanjeev Arora)  
 IN: 00877748  
 Chairman cum  
 Mg. Director

(Kavya Arora)  
 DIN: 02794500  
 Executive Director  
 & CFO

(Roop Kishore Fathepuria)  
 DIN: 00887774  
 Executive Director

(Tarandeep Kaur)  
 (ACS42144)  
 Company Secretary



**RITESH PROPERTIES AND INDUSTRIES LIMITED**

CIN No: L74899DL1987PLC027050

REGD. OFF: 11/5B, FIRST FLOOR, PUSA ROAD, NEW DELHI

Email Id: riteshlimited@gmail.com

**Statement Of Changes In Equity For The Year Ended March 31, 2020**

Particulars	(In Rupees)	
	Numbers	Amount
Equity Share of Rs. 10 each issued, subscribed and paid as at 01.04.2018	11,590,958	115,909,580
Issue of Equity Share During the year	-	-
<b>As at 31.03.2019</b>	<b>11,590,958</b>	<b>115,909,580</b>
Issue of Equity Share During the year	-	-
<b>As at 31.03.2020</b>	<b>11,590,958</b>	<b>115,909,580</b>

**B. Other Equity**

	Reserves and surplus			Other Comprehensive Income	Total
	Securities Premium	Retained Earnings	Capital Reserve		
As at 31.03.2018	156,057,942	(65,027,776)	96,248,671	-	187,278,836
Addition During the Year:					
Profit/ (Loss) for the year	-	9,134,343	-	-	-
Closing balance as at 31.03.2019	156,057,942	(55,893,433)	96,248,671	-	196,413,180
Addition During the Year:					
Profit/ (Loss) for the year	-	5,466,613	-	-	-
Closing balance as at 31.03.2020	156,057,942	(50,426,820)	96,248,671	-	201,879,792

Securities Premium - This reserve represents premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

Capital Reserve - Capital reserve was created under the previous GAAP from a specific transaction of capital nature.

Retained Earnings - This reserve represents the cumulative profits of the company and effects of remeasurement of defined benefit Plans. This can be utilised in accordance with the provisions of the Companies Act, 2013.



**RITESH PROPERTIES AND INDUSTRIES LIMITED, DELHI**  
**CIN No: L74899DL1987PLC027050**  
**REGD. OFF.11/5B, FIRST FLOOR, PUSA ROAD, NEW DELHI**  
**Email Id: riteshlimited8@gmail.com**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

PARTICULARS	For the Year Ended 31.03.2020 (Rs.)	For the Year Ended 31.03.2019 (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax & Extra Ordinary items	8,133,062	9,134,343
<b>Adjustments for</b>		
- Depreciation	3,655,625	2,688,047
- Profit/Loss on sale of Assets	-	550
- Prior Period Items	(2,504,540)	-
- Dividend/interest received	(3,533,715)	(55,771)
<b>Operating profit before working capital charges</b>	<b>5,750,432</b>	<b>9,078,572</b>
<b>Adjustments for</b>		
- Inventory	(46,639,799)	39,635,816
- Receivable	482,176,233	(416,218,182)
- Payable	(589,037,394)	512,770,732
- Short Term Loans & Advances	82,401,524	(120,976,525)
- Current Investments	-	-
Cash Generated from operations	(71,099,436)	15,211,841
Taxes Paid	(65,349,004)	24,290,414
<b>Net Cash from operating activities (A)</b>	<b>(65,349,004)</b>	<b>24,290,414</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(15,910,552)	(4,960,406)
Sale of Fixed Assets	1,863,776	-
Loans & Advances (Long Term)	(2,151,138)	48,402,518
Interest/Dividend Received	3,533,715	2,744,368
<b>Net cash used in investing activities (B)</b>	<b>(12,664,199)</b>	<b>46,186,480</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in Non Current Investments	43,664,934	(43,664,834)
Borrowing (Net)	30,606,052	(27,179,053)
<b>Net cash from financing activities ©</b>	<b>74,270,986</b>	<b>(70,843,887)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(3,742,217)</b>	<b>(366,993)</b>
Cash equivalents (A+B+C)	5,059,204	1,316,987
Cash and Cash equivalents(Opening Balance)	1,316,987	1,316,987
Cash and Cash equivalents(Closing Balance)	1,316,987	1,316,987

Notes :-

- The above Cash Flow Statement has been prepared under the indirect method as set out in Ind AS-7 "STATEMENT OF CASH FLOW" issued by the Institute of Chartered Accountants of India.
- Figures in Bracket Indicates Cash Outflow.

**AUDITOR'S REPORT**

As per our report of even date

For S M Mathur & Co.

(FRNo.006588N)

Chartered Accountants

(S M Mathur)

Prop.

M.No.013066



For and behalf of Directors of Ritesh Properties & Industries limited

(Sanjeev Arora)

(0077748)

Chairman cum

Mg. Director

(Kavya Arora)

(02794500)

Executive Director

& CFO

(Roop Kishore Fathepuria)

(00887774)

Executive Director

(Tarandeep Kaur)

(ACS42144)

Company Secretary

Place: New Delhi

Dated : 31.07.2020



# RITESH PROPERTIES AND INDUSTRIES LIMITED

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020

### 1. Company Overview

Ritesh Properties & Industries Ltd ("the company") is engaged in development of approved Integrated Industrial Park on the land situated at Ludhiana Chandigarh Road, Ludhiana and engaged in business of Trading of Fabrics, Real Estate, Shares, Derivatives, Options, Forex, commodities and other Financial instruments. The company is a public limited company incorporated and domiciled in India and has its registered office at 11/5B, Pusa Road, New Delhi - 110060. Shares of the company are listed on Bombay Stock Exchange, Mumbai, India.

### 2. Significant Accounting Policies:

#### a. Statement of Compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendments) Rules, 2016, under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provisions of the companies act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The IND AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there under.

Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

As the year-end figures are taken from the source and rounded to the nearest digits, the figures reported for the quarters might not add up to the year-end figures reported in this statement.

#### b. Basis of Presentation

These financial statements are prepared in accordance with Indian Accounting standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The IND AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there under.





### c. Accounting Estimates

The preparation of financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the Notes to the financial statements.

### d. Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investment. 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 of economic forecasts. 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's financial statements may differ from that estimated as at the date of approval of these financial statements.

### e. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The costs of acquisition including taxes, duties and other direct and indirect expenses incidental to acquisition and installations/ construction directly attributable to acquisition are capitalized.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure flow to the Group.

Depreciation on Property, Plant and Equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013 which are added/ disposed off during the year, depreciation is provided on pro rata basis with reference to the date of addition/deletion. The company depreciates fixed assets over their estimated useful lives using the straight line method.

#### Estimated Useful Life of the Assets are as follow:-

Type of Asset	Useful Life
Building	30 Years
Plant & Machinery	25 Years
Furniture & Fixture	10 Years
Office Equipment	10 Years
Vehicles	08 Years





#### **f. Intangible Assets**

The company has not purchased or self-created any intangible assets hence no intangible assets is recognized. The Intangible assets shall be recognized as per IND AS 38, on purchase of intangible assets or self-created if, and only if it is probable that the future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

#### **g. Inventories**

- (a) Inventory of Land and construction/development are valued at cost or net realizable value, whichever is lower. Cost of land purchased/acquired by the company include purchase/ acquisition price plus stamp duty and registration charges etc. Construction/development expenditure includes cost of development rights, all direct and indirect expenditure incurred on development of land /construction, attributable interest and financial charges and overheads relating to site management and administration less incidental revenues arising from site operations.
- (b) Inventory of Fabric is determined as per FIFO method and is valued at Cost or net realizable value whichever is lower.
- (c) Inventory of Shares and other financial instruments is determined as per IND AS 109 on Financial Instruments.

#### **h. Cash and Cash Equivalents**

Cash and cash equivalent in the Balance sheet comprises of cash at bank and on hand and short term deposits with an original maturity of three months or less , which are subject to an insignificant risk of changes in values. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

#### **i. Financial Instruments**

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

##### **i) Financial Assets**

##### **Initial Recognition:**

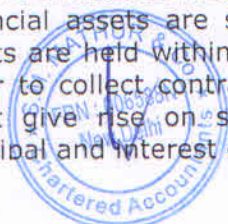
In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), Financial Asset are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases and Sales of financial assets that require delivery of assets within a time frame established by regulation or convention in market price (regular way trades) are recognized on the trade day i.e. the date that the company commits to purchase or sell the asset.

##### **Subsequent measurement:**

For purposes of subsequent measurement, financial assets are classified in following categories:-

##### **Financial assets measured at amortized cost:-**

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these 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. Interest income from





these financial assets is included in finance income using the effective interest rate (EIR) method. Impairment gains or losses arising on these assets are recognized in the statements of profit and losses.

**Financial assets measured at fair value through other Comprehensive Income (FVTOCI):**

Financial assets are measured at FVTOCI, if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss.

**Financial assets measured at fair value through Profit or Loss (FVTPL):**

Financial assets are measured at fair value through profit and loss if these does not meet the criteria for classification as measured at amortized cost or at fair value through other comprehensive income. All fair value changes are recognized in the Statement of Profit and Loss.

**De-recognition of financial assets:**

The Company de-recognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

**Impairment of financial assets:**

Impairment of financial assets In accordance with IND AS 109, the Company applies the Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit or loss.

ii) **Equity Instruments and Financial Liabilities:**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity Instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities, Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

**Financial liabilities:**

**Initial Recognition:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables as appropriate. All





financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Subsequent measurement:**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at amortized cost:**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Any difference between the proceeds and the settlement or redemption of borrowings is recognized over the term of the borrowings in the Statement of Profit and Loss.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Where the terms of a financial liability is re-negotiated and the company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in the Statement of Profit and Loss, measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

**Financial Liabilities at fair value through Profit or Loss (FVPL):**

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

**De-recognition of financial liabilities:**

Financial liabilities are de-recognized from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the Statement of Profit and Loss as other gains/ (losses).

**Offsetting financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis; to realize the assets and settle the liabilities simultaneously.

**j. Provisions, Contingent Liabilities and contingent Asset**

- i) A provision is recognized when the company has a present obligation as a result of past events and it is probable that an outflow of resource will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the balance sheet date. When appropriate, the time value of money is material, provision are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.
- ii) Contingent Liability are disclosed in respect of possible obligation that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. A contingent liability also arises, in rare cases, where a liability cannot be recognized because it cannot be measured reliably.





iii) Contingent asset is recognized where the economic benefits are probable.

**k. Income tax:**

Income tax comprises of current and deferred income tax. Income tax is recognized as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognized in equity or in OCI.

**Current income tax:**

Current income tax is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

**Deferred income tax**

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognized for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. Deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

Such assets are reviewed at each Balance Sheet date to reassess realization, deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities.

Minimum Alternative Tax ("MAT") credit is recognized as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period.

**I. Revenue Recognition:**

**i) Revenue from Real Estate**

Revenue from constructed properties is recognized in accordance with the "Guidance Note on Accounting for Real Estate Transactions" ('Guidance Note'). As per this Guidance Note, the revenue has been recognized on percentage of completion method and on the percentage of actual project costs incurred thereon to total estimated project cost, provided the conditions specified in Guidance Note are satisfied.

Revenue from sale of land and plots is recognized in financial year in which agreement to sell / application form is executed and there exist no uncertainty in the ultimate collection of consideration from buyer. In case there is remaining substantial obligation as per agreement to sell the revenue is recognized as per percentage of completion method.

Revenue from Common Area Maintenance Charges is recognized on accrual basis and in accordance with the respective agreement.

**ii) Revenue from Textile Business**

Revenue from the textile business in the course of ordinary activities is measured at the fair value of consideration received or receivable, net of returns, trade discount and volume rebate. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.





iii) **Revenue from Trading of Shares**

Revenue from the trading of share business in the course of ordinary activities is measured at the fair value of consideration received or receivable. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

iv) **Dividend, Interest and other income**

Dividend income is recognized in profit or loss on the date on which the entity's right to receive payment is established.

Interest income or expense is recognized using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payment or receipt through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset, or
- The amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

**m. Borrowing Costs**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset.

Other borrowing costs are recognized as an expense in the period in which they are incurred.



## n. Employee Benefit Expense

The payment of remuneration made to the Mg. Director, Executive Director and Other Directors are as under:-

Particulars	2019-20 (Rs.)	2018-19 (Rs.)
Salary to Chairman Cum Mg. Director-Sh. Sanjeev Arora	1,20,00,000/-	1,20,00,000/-
Salary to Director-Sh. Kavya Arora	72,00,000/-	72,00,000/-
Salary to Executive Director - Sh. Roop Kishore Fathepuria.	13,39,000/-	12,18,000/-
Perks to Executive Director - Sh. Roop Kishore Fathepuria.	1,43,000/-	2,02,800/-
Salary to Director- Virender Singh Binning	7,20,000/-	7,20,000/-
Sitting Fee to Director- Sh. Surinder K Sood	15,500/-	70,000/-
Sitting Fee to Director- Sh. Gurpreet Singh Brar	55,000/-	3,500/-
Sitting Fee to Director- Ms. ShwetaSehgal	27,000/-	Nil
Sitting Fee to Director- Mr. Rohit Kumar Maggu	24,000/-	2,500/-
Income Tax paid on Non-Monetary benefits to Mr. Sanjeev Arora (CMD)	6,24,000/-	6,24,000/-
Director's Conveyance Allowance-Sh. Roop Kishore Fathepuria.	1,03,200/-	44,400/-
House Rent Allowances_ Sh. Roop Kishore Fathepuria.	2,74,800/-	2,74,800/-

## o. Related Parties Disclosure

- i) Related parties where control exists or with whom transactions have taken place during the year.

### ASSOCIATED/ALLIED COMPANIES

- o Ritesh Spinning Mills Limited
- o Kamal Oil & Allied Industries Ltd
- o RiteshImpex Private Ltd
- o H.B. Fibres Limited
- o K P Advisors(Realty) Pvt Ltd
- o Femella Fashions Ltd
- o Ritesh Rentals (P) Ltd
- o Arisudana Industries Ltd.
- o Kripa Real Estate Pvt Ltd
- o NP Blockhouse Real Estate Pvt Ltd





### KEY MANAGERIAL PERSONNEL REPRESENTED ON THE BOARD

○ Sh. Sanjeev Arora	Chairman cum Managing Director
○ Sh. Roop Kishore Fathepuria	Executive Director
○ Sh. Kavya Arora	Director
○ Sh. Surinder K Sood	Director
○ Sh. Gurpreet Singh Brar	Director
○ Ms. Shweta Sehgal	Director
○ Mr. Virender Singh Billing	Director
○ Mr. Rohit Kumar Maggu	Director

### OTHERS

○ Mrs. Guneet Arora	Wife of Sh. Kavya Arora, Director and Daughter in Law of Sh. Sanjeev Arora, Chairman cum Managing Director.
○ Mrs. Sandhya Arora	Wife of Sh. Sanjeev Arora, CMD and Mother of Sh. Kavya Arora, Director

ii) The following is a summary of significant related party transactions:

Sr. No.	Name of Company/Firm/Individual	Nature of Transaction	2019-20 (Rs.)	2018-19 (Rs.)
1.	Ritesh Spinning Mills Ltd, Associated/ Allied Company	- Loan Received back - Loan Given - Other Transactions	9,51,55,000/- 4,73,25,000/- 87,75,827/-	75,00,000/- 8,31,55,000/- NIL
2.	H.B. Fibres Ltd, Associated/ Allied Company	- Loan Received Back - Loan Given - Other Transactions	NIL 1,06,550/- 30,28,279	16,35,000/- 1,65,000/- NIL
3.	Femella Fashions Ltd, Associated/allied Company	- Loan Repayment - Loan Taken - Repayment of Advance - Sale of Plot - Balance Payment Received against Sale of Plot from Femella - Sale of Services (Electricity) - Sale of Services (CAM) - Other Transactions	33,63,78,316/- 35,31,35,000/- NIL NIL 5,000/- 13,500/- 40,930/-	64,72,60,212/- 62,29,77,100/- 12,37,500/- 96,58,550/- 20,000/- NIL NIL
4.	Ritesh Impex (P) Ltd, Associated/ Allied Company	- Loan Given - Loan Received Back - Other Transactions	1,14,550/- NIL 35,51,385/-	1,70,000/- 17,90,000/- NIL
5.	K P Advisors (Realty) Pvt Ltd- Associated/ Allied Company	- Loan Given	40,000/-	50,000/-
6.	Sh. Sanjeev Arora, KMP	Salary Income Tax on Non-Monetary Perquisites Rent Paid Loan Taken Loan Repayment Sale of Service (Electricity) Sale of Service (CAM)	1,20,00,000/- 6,24,000/- 12,00,000/- 21,00,000/- 21,00,000/- 49,731/- 29,025/-	1,20,00,000/- 6,24,000/- 3,00,000/- 2,11,50,000/- 2,11,50,000/- 43,819/- 32,894/-
7.	Sh. Kavya Arora, KMP	Salary Rent Paid	72,00,000/- 12,00,000/-	72,00,000/- 3,00,000/-





8.	Sh. Virinder Singh Binning	Salary	7,20,000/-	7,20,000/-
9.	Mrs. Sandhya Arora, Others	Rent Paid	12,00,000/-	3,00,000/-
10	Guneet Arora, Others	Professional Charges	NIL	4,44,445/-
11	Sh. Roop Kishore Fathepuria, KMP	Salary Perks	13,39,000/- 1,43,000/-	15,37,200/- 2,02,800/-
12	Sh. Surinder K Sood KMP	Sitting Fee	15,500/-	70,000/-
13	Sh. Gurpreet Singh Brar- KMP	Sitting Fee	55,000/-	3,500/-
14	Ms. Shweta Sehgal	Sitting Fee	27,000/-	NIL
15	Mr. Rohit Kumar Maggu	Sitting Fee	24,000/-	2,500/-
16	Ritesh Rental (P) Ltd.	Income of Real Estate Other Transactions	NIL 2,25,72,000/-	9,77,65,635/- 2,45,42,000/-
17	Arisudhana Industries Ltd.	Loan Given Loan Received Back Interest income	NIL 2,70,00,000/- 7,01,968/-	3,10,00,000/- NIL 11,02,685/-
18	Kamal Oil & Allied Industries	Loan Taken	30,00,000/-	NIL

iii) Amount due from/To Related Parties

Particulars		As on 31.03.2020 (Rs.in Lacs)	As on 31.03.2019 (Rs.in Lacs)
i)	Due from Related Parties (included in Loans & Advances & Sundry Debtors)		
	- Associate/Allied Concern	536.91	1357.91
ii)	Due to Related Parties (included in Current Liabilities)		
	- Associate/Allied Concern	188.00	8.10
	-Due to Key Managerial Personnel	815.69	806.00





**p. Leases :**

Payment made under operating leases are generally recognized in profit or loss on a straight -line basis over the term of the lease unless such payment are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognized as an integral part of the total lease expense over the term of lease.

S. No	Particulars	31.03.2020	31.03.2019
a.	The total of future minimum lease payment under non-cancelable operating leases for each of the following periods: 1. not later than one year ; 2. later than one year and not later than five year; 3. later than five years;	NIL Rs.36,00,000/- NIL	Rs.35,40,000/- NIL NIL
b.	The total of future minimum sub-leases payment expected to be received under non-cancelable sub-leases at the balance sheet;	NIL	NIL
c.	Leases payments recognized in the statement of profit and loss for the period, with separate amounts for minimum leases payments.	Rs.42,80,400/-	Rs.38,99,752/-
d.	Sub-leases payments received (or receivable) recognized in the statement of profit and loss for the period;	NIL	NIL
e.	A general description of the lessee's significant leasing arrangements including the following; The existence and terms of renewal or purchase options and escalation clauses; and restrictions imposed by lease arrangements, such as those concerning dividends, additional debt, and further leasing.	NIL	NIL

q. Expenditure in Foreign Currency on Travelling is Nil (P.Y Rs. 3,66,180/-).





## r. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief operating decision maker regularly monitors and reviews the operating result of the whole company. The company has three Operating segments:-

1. Real Estate
2. Textile Division
3. Trading in shares

Information about Reportable Segments:

Particulars	2019-20				2018-19			
	Real Estate	Textile	Shares	Total	Real Estate	Textile	Shares	Total
Revenue/Sales	76.31	4011.53	5391.51	9479.35	1482.60	3274.01	5718.17	10474.78
Results	(28.69)	289.67	(342.23)	(81.25)	1482.60	3274.01	5718.17	10474.78
Profit before Interest & Finance Cost	(28.69)	289.67	(342.23)	(81.25)	(584.03)	340.70	792.07	548.73
Unallocable Expenses	-	-	-	604.02	-	-	-	618.53
Operating Profit	-	-	-	(685.28)	-	-	-	-69.80
Interest Expenses	-	-	-	29.77	-	-	-	40.77
Unallocable Income	-	-	-	796.38	-	-	-	201.91
Net Profit	-	-	-	81.33	-	-	-	91.34
Assets	3301.29	552.04	1692.71	5546.04	9391.30	193.40	1489.36	11074.06
Liabilities	2048.08	320.06	-	2368.14	7862.76	88.07	-	7950.83
Share Capital	-	-	-	1159.10	-	-	-	1159.096
Reserve & Surplus	-	-	-	2018.80	-	-	-	1964.13
Segment Depreciation	36.56	-	-	36.56	26.88	-	-	26.88
Segment other non-cash expense	-	-	-	-	-	-	-	-
Segment Capital Expenditure	-	-	-	-	-	-	-	-





Thus, as defined in Ind AS 108 "Operating Segments", the company's entire business falls under these Operational segments.

- s. Corresponding figures of previous year have been regrouped / rearranged wherever deemed necessary.

For S M Mathur & Co.,  
Chartered Accountants  
(Firm Registration No. 006588N)

On behalf of the Board  
M/s Ritesh Properties & Industries Ltd.

(S.M. Mathur)  
Prop.  
M. No. 013066

(Sanjeev Arora)  
(DIN: 00077748)  
Chairman Cum  
Mg. Director

(Kanya Arora)  
(DIN: 02794500)  
Executive Director  
& CFO

Place: New Delhi  
Date: 31.07.2020

(Roop Kishore Fathepuria)  
(DIN: 00887774)  
Executive Director

(Tarandeep Kaur)  
(ACS42144)  
Company Secretary





**RITESH PROPERTIES AND INDUSTRIES LIMITED, DELHI**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

**3. PROPERTY, PLANT AND EQUIPMENT**

(Amount in Rupees)

Particulars	Building	Plant & Machinery	Furniture & Fixture	Office Equipments	Vehicles*	Total
<b>Gross Carrying Value</b>						
As At March 31, 2018	1,923,331	11,074,260	3,096,056	1,732,495	20,659,721	38,485,863
Additions		4,294,790	590,616	75,000		4,960,406
Disposal				11,000		11,000
As At March 31, 2019	1,923,331	15,369,050	3,686,672	1,796,495	20,659,721	43,435,269
Additions	195,312	-	-	7,500	15,707,740	15,910,552
Disposal					2,942,575	2,942,575
As At March 31, 2020	2,118,643	15,369,050	3,686,672	1,803,995	33,424,886	56,403,246
<b>Depreciation</b>						
As At March 31, 2018	882,635	2,943,459	2,896,997	1,352,801	9,031,700	17,107,593
Charges for the Year	42,540	475,546	14,497	62,835	2,092,629	2,688,047
Disposal				10,450		10,450
As At March 31, 2019	925,175	3,419,005	2,911,494	1,405,186	11,124,329	19,785,190
Charges for the Year	87,299	791,841	44,605	65,590	2,666,290	3,655,625
Disposal					1,078,799	1,078,799
As At March 31, 2020	1,012,475	4,210,846	2,956,100	1,470,776	12,711,819	22,362,016
<b>Net Carrying Value</b>						
As At March 31, 2018	1,040,696	8,130,800	199,058	379,694	11,628,021	21,378,270
As At March 31, 2019	998,156	11,950,044	775,177	391,309	9,535,392	23,650,079
As At March 31, 2020	1,106,168	11,158,204	730,572	333,220	20,713,067	34,041,230

\* Property, plant and equipment have not been pledged as security for borrowings





**RITESH POPERTIES AND INDUSTRIES LIMITED**  
**DEPRECIATION ALLOWANCE AS PER INCOME TAX ACT, 1961**  
**ASSTT. YEAR 2020-21**

DESCRIPTION	RATE OF DEP.	WDV AS ON 01-04-19	ADDITIONS UP TO 30-09-19	ADDITIONS AFTER 30-09-19	SALE OF ASSTES	TOTAL	DEPRECIATION	WDV AS ON 31/03/2020
PLANT & MACHINERY	15%	9,136,025	-	-	-	9,136,025	1,370,404	7,765,622
FURNITURE & FIXTURE	10%	2,205,301	-	-	-	2,205,301	220,530	1,984,771
BUILDING	10%	619,637	195,312	-	-	814,949	81,495	733,454
OFFICE EQUIPMENT	15%	246,765	7,500	-	-	254,265	38,140	216,125
VEHICLES	15%	246,841	-	-	-	246,841	37,026	209,815
CARS	15%	9,961,842	2,407,421	13,300,319	2,147,692	23,521,889	2,530,759	20,991,130
<b>TOTAL</b>		<b>22,416,411</b>	<b>2,610,233</b>	<b>13,300,319</b>	<b>2,147,692</b>	<b>36,179,271</b>	<b>4,278,354</b>	<b>31,900,917</b>



**RITESH PROPERTIES & INDUSTRIES LIMITED**  
**F.Y.-2019-20**

**1. PROPERTY, PLANT AND EQUIPMENT**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2019	Additions	Sale/ Deductions	As at 31.03.2020	Upto 01.04.2019	For the Year	Adjustment/ Deductions	Upto 31.03.2020	As At 31.03.2020	As At 31.03.2019
Building	1,925,331	195,312	-	2,118,643	925,175	87,299	-	1,012,475	1,106,168	998,156
Plant & Machinery	15,369,050	-	-	15,369,050	3,419,005	791,841	-	4,210,846	11,158,204	11,950,045
Furniture & Fixture	3,686,672	-	-	3,686,672	2,911,495	44,605	-	2,956,100	730,572	775,177
Office Equipment	1,796,495	7,500	-	1,803,995	1,405,186	65,590	-	1,470,775	333,220	391,310
Vehicles	20,659,721	15,707,740	1,863,776	34,503,685	11,124,329	2,666,290	-	13,790,619	20,713,066	9,535,392
<b>TOTAL</b>	<b>43,435,269</b>	<b>15,910,552</b>	<b>1,863,776</b>	<b>57,482,045</b>	<b>19,785,190</b>	<b>3,655,625</b>	<b>-</b>	<b>23,440,815</b>	<b>34,041,230</b>	<b>23,650,079</b>
Previous Year	38,485,863	4,960,406	11,000	43,435,269	17,107,593	2,668,047	10,450	19,785,190	23,650,079	





**RITESH PROPERTIES AND INDUSTRIES LIMITED**  
**CIN No: L74899DL1987PLC027050**  
**REGD. OFF.11/5B, FIRST FLOOR, PUSA ROAD, NEW DELHI**  
**Email Id:riteshlimited8@gmail.com**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

(Amount in Rupees)

Note	Particulars	Annexure	31.03.2020	31.03.2019
4	<b>NON CURRENT- INVESTMENTS UN QUOTED (AT-COST)</b>			
	Femella Fashions Ltd.		110,722,934	110,722,934
	Kishan Chand & Co Oil Industries Ltd.		72,380	72,380
	Project Development		-	43,664,934
	<b>TOTAL</b>		<b>110,795,314</b>	<b>154,460,248</b>

- \* All the investment in equity shares of subsidiaries, associates and joint ventures are measured as per Ind AS 27 ' Separate Financial Statements'
- \* All Equity shares are of Rs.10 each unless otherwise stated.
- \* No dividend have been received from such investments during the year.

(Amount in Rupees)

Note	Particulars	Annexure	31.03.2020	31.03.2019
5	<b>NON CURRENT FINANCIAL - OTHERS</b>			
	Security Deposits, considered Good	I	1,886,435	-
	<b>TOTAL</b>		<b>1,886,435</b>	<b>-</b>

- \* Security Deposits are given to Electricity, Telecommunication Department and Verka.
- \* Security Deposits are considered good and no provision is made for any credit loss allowance.

(Amount in Rupees)

Note	Particulars	Annexure	31.03.2020	31.03.2019
6	<b>NON CURRENT ASSETS - OTHERS</b>			
	Balance with Banks in FDR Account (Under Margin Account)	II	264,702	-
	<b>TOTAL</b>		<b>264,702</b>	<b>-</b>

- \* FDR is with HDFC Bank Ltd

(Amount in Rupees)

Note	Particulars	Annexure	31.03.2020	31.03.2019
7	<b>INVENTORIES</b>			
	(As taken, valued and certified by the Management)			
	Real Estate		48,234,221	38,634,221
	Shares		67,027,892	74,554,476
	Fabric		1,621,746	-
	Project Development		42,944,637	-
	<b>TOTAL</b>		<b>159,828,496</b>	<b>113,188,697</b>

- \* During the year ended 31 March 2020, the Company has inventorized borrowing cost of 'Nil' (P.Y. NIL) to cost of real estate project under development.
- \* Inventories have not been pledged as security for borrowings.

(Amount in Rupees)

Note	Particulars	Annexure	31.03.2020	31.03.2019
8	<b>INVESTMENTS-CURRENT</b>			
	<b>Trade Investments- Quoted</b>			
	1100 Equity Shares of Rs. 10/- each of Master Trust Ltd.		11,000	11,000
	400 Equity Shares of Rs.10/- each of Nahar Industrial Ent. Ltd		10,000	10,000
	420 Equity Shares of Rs.10/- each of Nahar Ploy Films Ltd		40,522	40,522
	330 Equity Shares of Rs.10/- each of Nahar Spinning Mills Ltd		31,838	31,838
	500 Equity Shares of Rs.10/- each of R.S.Petro Products Ltd		9,950	9,950
	<b>TOTAL</b>		<b>103,310</b>	<b>103,310</b>

- \* Market Value of Quoted Investments
- \* All Equity shares are of Rs.10 each unless otherwise stated



(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
→	<b>TRADE RECEIVABLES</b>			
	(a) Trade Receivable considered good - Secured		-	-
	(b) Trade Receivable considered good - Unsecured	III		
	- Outstanding For Exceeding Six Months		10,200,782	5,193,955
	- Outstanding For Less Six Months		111,946,735	599,129,796
	(c) Trade Receivable which have significant increase in Credit Risk		-	-
	(d) Trade Receivable - credit-impaired		-	-
	<b>TOTAL</b>		<b>122,147,517</b>	<b>604,323,751</b>

\* All Book Debts are Considered Good. Hence no provisions is made for Doubtfull Debt.

\* Trade receivables have not been pledged as security for borrowings

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
10	<b>Cash &amp; Cash Equivalent</b>			
	Cash Balance in Hand		910,008	1,018,174
	Balance with Banks in Current Account	IV	406,979	4,041,029
	<b>TOTAL</b>		<b>1,316,987</b>	<b>5,059,203</b>

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
11	<b>LOANS-CURRENT ASSETS</b>			
	(Unsecured, considered good)			
	Other Loans & Advances	V	115,288,923	194,866,292
	<b>TOTAL</b>		<b>115,288,923</b>	<b>194,866,292</b>

\* Loan and advance given are considered good and no provision is made for any credit loss allowance.

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
12	<b>OTHER-FINANCIAL ASSETS</b>			
	Advances to suppliers	VI	270,167	1,529,736
	<b>TOTAL</b>		<b>270,167</b>	<b>1,529,736</b>

\* Advances to supplier of Goods/Services doesn't contain any allowance for doubtful

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
13	<b>CURRENT TAX ASSETS(NET)</b>			
	Taxes paid in advance	VII	3,221,577	4,491,456
	<b>TOTAL</b>		<b>3,221,577</b>	<b>4,491,456</b>

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
14	<b>OTHER CURRENT ASSETS</b>			
	Other Current Assets	VIII	5,439,051	5,733,758
	<b>TOTAL</b>		<b>5,439,051</b>	<b>5,733,758</b>





(Amount in Rupees)

Note	Particulars	Annexure	31.03.2020	31.03.2019
15	<b>EQUITY SHARE CAPITAL</b>			
	Authorized		150,000,000	150,000,000
	15,000,000 Equity Shares of Rs. 10/- each			
	Issued		117,585,080	117,585,080
	11,758,508 Equity Shares of Rs. 10/- each			
	Subscribed & Paid up		115,909,580	115,909,580
	11,590,958 Equity Shares of Rs. 10/- each			
	<b>TOTAL</b>		<b>115,909,580</b>	<b>115,909,580</b>

## i) Terms / Rights attached to equity shares :

The Company has only one class of Equity Shares having a par value of Rs. 10 per share. Each holder of Equity shares is entitled to one vote per share. Each Equity holder is eligible for dividend on pro-rata basis. The dividend declared by the Board is paid after obtaining shareholders' approval in ensuing AGM.

## ii) Detail of shares held by each shareholder holding more than 5% Shares

S.NO	Name of the Shareholder	Annexure	No. of Shares	% holding	No. of Shares	% holding
1	Sh. Sanjev Arora		24,21,021	20.89	24,21,021	20.89
2	Sh. Kavya Arora		11,31,334	9.76	11,31,334	9.76
3	Ritesh Spinning Mills Ltd.		8,64,401	7.46	8,64,401	7.46
4	Time Publishing House Ltd		7,03,099	6.06	7,03,099	6.06

## iii) Reconciliation of Equity Shares outstanding at the beginning and at the end of the year

Particulars	Annexure	31.03.2020	31.03.2019
		No. of shares	No. of shares
Equity shares at the beginning of the year		115,909,580	11,590,958
Add: Share issued		-	-
Less: Shares cancelled		-	-
Equity shares at the end of the year		115,909,580	11,590,958

(Amount in Rupees)

Note	Particulars	Annexure	31.03.2020	31.03.2019
16	<b>OTHER EQUITY</b>			
	<b>a) Capital Reserve</b>			
	Opening Balance		96,248,671	96,248,671
	Additions during the year		-	-
	Closing Balance		96,248,671	96,248,671
	<b>b) Securities Premium Reserve</b>			
	Opening Balance		156,057,942	156,057,942
	Additions during the year		-	-
	Closing Balance		156,057,942	156,057,942
	<b>c) Profit &amp; Loss Account</b>			
	Opening Balance		(55,893,433)	(65,027,776)
	Additions during the year		5,466,613	9,134,343
	Closing Balance		(50,426,820)	(55,893,433)
	<b>TOTAL</b>		<b>201,879,792</b>	<b>196,413,180</b>

Nature and purpose of reserves :-**Capital reserve**

Capital reserve was created under the previous GAAP from a specific transaction of capital nature.

**Securities premium reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Companies Act, 2013.

**General reserve**

The Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.



(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
17	<b>BORROWINGS-NON CURRENT</b>			
	Long Term Borrowings	IX	10,587,324	2,159,847
	Short Term Borrowings	X	3,319,643	2,072,651
	<b>TOTAL</b>		<b>13,906,967</b>	<b>4,232,498</b>

- \* Long term borrowing from banks and others are for vehicles .
- \* Repayment of Loan is done as per the agreed terms and condition and there is no default in repayment of monthly installments.

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
18	<b>OTHER FINANCIAL LIABILITIES-NON CURENT</b>			
	From Others	XI	32,199,846	14,600,000
	<b>TOTAL</b>		<b>32,199,846</b>	<b>14,600,000</b>

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
19	<b>DEFERRED TAX LIABILITIES (NET)</b>			
	Opening Balance of Deferred Tax Assets		-	-
	Addition during the year		161,910	-
	Closing Balance of Deferred Tax Assets		161,910	-
	<b>TOTAL</b>		<b>161,910</b>	<b>-</b>

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
20	<b>PROVISIONS-NON CURRENT</b>			
	Provision for employee benefits	XII	2,405,037	-
	Provision for Income Tax		-	-
	<b>TOTAL</b>		<b>2,405,037</b>	<b>-</b>

\* Refer note of Employee Benefit

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
21	<b>OTHER NON CURRENT LIABILITIES</b>			
	Security Received	XIII	7,755,718	6,829,018
	<b>TOTAL</b>		<b>7,755,718</b>	<b>6,829,018</b>

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
22	<b>TARDE PAYABLE</b>			
	Total outstanding dues to micro and small enterprise		-	-
	Trade Payable	XIV	34,830,314	43,713,323
	<b>TOTAL</b>		<b>34,830,314</b>	<b>43,713,323</b>

- \* (a) It does not include any amount to be transferred to Investor Education and Protection Fund.
- (b) As per Schedule III of the Companies Act, 2013 and notification number GSR 719(E) dated November 16, 2007, there is no amount due to Micro & Small Enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006.  
(The above information has been compiled to the extent such parties have been identified on the basis of information available with the Company as at reporting date.)

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
23	<b>OTHER FINANCIAL LIABILITIES-CURENT</b>			
	Advances from Customers	XV	139,144,576	719,674,040
	Statutory Dues	XVI	716,877	2,708,824
	<b>TOTAL</b>		<b>139,861,453</b>	<b>722,382,864</b>





(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
24	<b>OTHER LIABILITIES-CURRENT</b>			
	Other Liabilities	XVII	5,693,092	2,119,610
	Cheque Issued but presented later on			1,206,456
	<b>TOTAL</b>		<b>5,693,092</b>	<b>3,326,066</b>

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
25	<b>Revenue from Operations</b>			
	Revenue from sale of Land, Plots and Constructed Properties		4,550,000	147,115,675
	Revenue from Common Area Maintenance Charges		3,081,343	1,144,530
	Revenue from Sale of Fabrics		401,152,849	327,401,194
	Revenue from Sale of Shares		539,151,197	571,817,144
	<b>TOTAL</b>		<b>947,935,389</b>	<b>1,047,478,543</b>

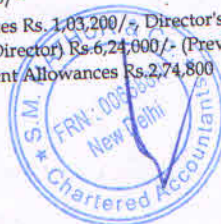
(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
26	<b>Other Income</b>			
	Interest Income	XVIII	3,367,185	2,744,368
	Balances Written Back			14,827,297
	Misc Income	XIX	76,270,411	2,619,542
	<b>TOTAL</b>		<b>79,637,596</b>	<b>20,191,207</b>

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
27	<b>Cost of Material Consumed</b>			
	Opening Stock		6,000,000	-
	- Real Estate		-	-
	- Plots-Resale		74,554,476	-
	- Shares			
	Add: Purchases		20,100,000	212,663,472
	i) Purchase of Plots	XX	373,807,808	293,330,675
	ii) Purchase of Fabrics	XXI	565,847,624	567,164,729
	iii) Purchase of Shares	XXI	1,040,309,908	1,073,158,876
	Closing Stock		15,600,000	6,000,000
	- Real Estate		67,027,892	74,554,476
	- Shares		1,621,746	-
	- Fabric			
	<b>Net Consumption</b>		<b>956,060,269</b>	<b>992,604,400</b>

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
28	<b>Employee Benefits Expense</b>			
	Salaries & Wages#	XXII	23,247,472	23,142,552
	Contribution to Provident & Other Funds	XXIII	168,777	154,989
	Other Benefits to Staff & Workers##	XXIV	1,988,656	1,786,722
	Staff Welfare Expenses		120,086	181,164
	<b>TOTAL</b>		<b>25,524,991</b>	<b>25,265,427</b>

# Includes Directors Remuneration Rs.2,12,59,000/- Previous Year Rs.2,11,38,000/-

## Includes Directors Sitting Fee Rs.1,36,500/-, Director's Conveyance Allowances Rs.1,03,200/-, Director's House Rent Allowances Rs.2,74,800, Special Allowance to Directors Rs.1,43,000/-, TDS on Non Monetary Benefit (Director) Rs.6,24,000/- (Previous Year Directors Sitting Fee Rs.76,000/-, Director's Conveyance Allowances Rs.44,400/-, Director's House Rent Allowances Rs.2,74,800, Special Allowance to Directors Rs.2,02,800/-, TDS on Non Monetary Benefit (Director) Rs.6,24,000/-



(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
29	Finance Charges		1,961,460	3,354,211
	Interest Paid		654,536	586,604
	Hire Purchase Charges		360,667	135,816
	Bank Charges			
	<b>TOTAL</b>		<b>2,976,663</b>	<b>4,076,631</b>

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
30	Depreciation		3,655,625	2,688,047
	Depreciation			
	<b>TOTAL</b>		<b>3,655,625</b>	<b>2,688,047</b>

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
31	Other Expenses		350,577	392,904
	Advertisement	XXV	564,732	1,206,970
	Electric Expenses	XXVI	786,504	4,753,825
	Fees & Taxes		267,813	95,111
	Insurance Expenses		4,489,597	4,313,965
	Legal & Professional Charges	XXVII	1,923,797	1,474,816
	Vehicle Expenses		245,314	381,698
	Postage & Telephone Expenses	XXVIII	4,280,400	4,194,500
	Rent	XXIX	11,796,939	6,578,101
	Travelling and Conveyance Expenses#	XXX	302,600	480,000
	Charity & Donation		68,501	132,960
	Repair & Maintenance	XXXI	1,064,626	871,977
	Business/Sales Promotion Expenses	XXXII	146,000	619,440
	Commission & Brokerage		4,934,976	8,404,635
	Other Expenses	XXXIII		
	<b>TOTAL</b>		<b>31,222,376</b>	<b>33,900,902</b>

# Includes Directors Travelling Rs.83,58,944.67/- Previous Year Rs. 51,81,530.50/-

(Amount in Rupees)				
Note	Particulars	Annexure	31.03.2020	31.03.2019
32	Earning Per Share			
	a) Net profit after tax		5,466,613	9,134,343
	b) Total weighted Average Number of Shares for Basic and Diluted Earning		115,909,580	115,909,580
	c) Basic and Diluted Earning per Share		0.47	0.79

