



S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP

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INDEPENDENT AUDITOR'S REPORT

To the Members of A A Infraproperties Private Limited
Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of A A Infraproperties Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss, 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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, its profits, its 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 Ind AS 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.

Emphasis of Matter

1. We draw attention to Note no 28 & 30 of the Financial statements, which describes that the Company has not charged interest during the year on the loan provided to its subsidiary viz. Indocean Developers Private limited ("IDPL") due to sluggish real estate market condition and covid impact. Also, the Company has not charged guarantee commission for the corporate guarantee given against the loan taken by subsidiary (IDPL) for the same reason.
The Company has neither impaired loan given to subsidiary nor investment made in subsidiary, based on valuation of inventory and projected cashflows as certified by the Independent Valuer and management of IDPL.





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2. We draw attention to Note no 29 of the Financial statements, which describes that the Company has not charged interest during the year on the loan provided to its subsidiary viz. AA Infra (Middle East) Limited ("AAIMEL") due to sluggish real estate market condition and covid impact. The Company has neither impaired loan given to subsidiary nor investment made in subsidiary, based on projected cashflows as certified by the management.

Our opinion is not modified in respect of these matters.

Other Information

The Company's Board of Directors is responsible for the other information.

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 on the other information obtained prior to the date of this auditor's report, 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.

Responsibility of Management and Those Charged with Governance for Ind AS 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 Ind AS 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 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 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.

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





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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings 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





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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, 2020 ("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.

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 book.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder.
- (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) In our opinion and according to the information and explanation given to us, Section 197 of the Act is not applicable to the company. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations which would impact its financial position in its financial Statement – Refer Note: 20 of the Ind AS financial statements
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.





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- c. There has been no such sum which needs to be transferred to the Investor Education and Protection Fund by the Company.
- d. i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our attention that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (a) and (b) above, contain any material misstatement
- e. The Company has not declared or paid any dividend during the year or in previous year.

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm's Registration Number – 306033E/E300272

A. U. Sahoo

Ashok Sahoo

Partner

Membership No: 306453

UDIN – 22306453BDRDMI8500

Place: Kolkata

Date: 28th September, 2022





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ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of A A Infraproperties Private Limited (“the Company”) as of March 31, 2022 to the extent of records available with us in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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, 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 internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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





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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.

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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company.

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm's Registration Number – 306033E/E300272

Place: Kolkata
Date: 28th September, 2022



A. h. Sahoo
Ashok Sahoo

Partner

Membership No: 306453

UDIN – 22306453BDRDMI8500



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ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i) According to the information and explanations given to us and on the basis of our examination of the books of account, the company does not have any property plant and equipment and intangible assets. Hence, reporting under clause 3(i) (a),(b),(c), (d) of the order is not applicable.
- (e) There were no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii)
- (a) According to the information and explanations given to us, the Company doesn't maintain inventory and hence reporting under clause (ii) (a) of the Order is not applicable.
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause (ii)(b) of the Order is not applicable.
- iii) According to the information and explanations given to us, the Company has granted loans, during the year to companies, covered in the register maintained under Section 189 of the Act. Accordingly, we report that;
- (a) During the year the company has given loans to its subsidiaries only. Hence reporting under clause 3(iii)(a)(B) of the Order is not applicable

(A)

Particulars	Guarantees (Rs. in lakhs)	Security (Rs. in lakhs)	Loans (Rs. in lakhs)	Advances in nature of loans (Rs in lakhs)
Aggregate amount during the year -Subsidiaries	-	-	6607.14	-
Balance outstanding as at balance sheet date in respect of above cases	-	-	70199.47	-





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- Subsidiaries

- (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) in respect of such loans, the loan is repayable on demand and the Company has waived off interest on such loans for the FY 2021-22 in view of sluggish real estate market condition and economic crisis impact on subsidiaries. The repayments are regular as and when due;
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date
- (e) According to information and explanations given to us and based on the audit procedures performed, no loans which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The company has granted following loans to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 without specifying any terms or period of repayment:

Particulars	All Parties (Rs. in lakhs)	Promoters	Related Parties (Rs. in lakhs)
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	-	-	70,199.47
- Agreement does not specify any terms or period of repayment (B)	-	-	
Total (A+B)	-	-	70,199.47





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Percentage of loans/ advances in nature of loans to the total loans	100.00	-	100.00
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- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments, and providing guarantees and securities as applicable.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- vi) In our opinion and according to information and explanations given to us, the Company is not required to maintain cost records prescribed by the Central Government under section 148(1) of the Companies Act, 2013.
- vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities and no undisputed dues are in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, value added tax, service tax, goods and service tax which have not been deposited with the appropriate authorities on account of any dispute except the following: -

Name of the statute	Amount (Rs. in lakhs)	Period to which the amount relates (FY)	Forum where dispute is pending
Income Tax Act 1961	777.49	2016-17	CIT(A)
Income Tax Act 1961	127.44	2017-18	CIT(A)
Income Tax Act 1961	38.30	2018-19	DCIT(A)

- viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix)





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- (a) In our opinion and according to the information and explanations given to us by the management, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Hence reporting under clause (ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanation given to us and on the basis of our examination of the records, the Company has not taken term loans during the year or in previous year. Hence reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has taken funds from its holding Company to meet the obligations of its subsidiary as per details below:

Nature of Fund Taken	Name of Lender	Amount Involved (Rs. in lakhs)	Name of the Subsidiary	Relation	Nature of Transactions for funds utilized	Remarks
Short term	South City Projects (Kolkata) Limited	6631	Indocean Developers Pvt Ltd	Holding Company	For Operating expenses and repayment of loans	

- (f) According to the information and explanation given to us and procedure performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its Subsidiary. The Company does not hold any investment in any associates or joint venture (as defined under the act) during the year ended 31st March 2022.
- x)
- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private





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placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable.

xi)

- (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality as outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

- (c) To the best of our knowledge and according to the information and explanations given to us there were no whistle-blower complaints, received during the year by the company.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.

xiv)

- (a) In our opinion to the best of our knowledge and according to the information and explanations given to us, the company is excluded from the ambit of internal audit under section 138 of the Act, (with regard to mandatory applicability of internal audit system) and hence reporting under clause (xiv) (a) and (b) of the Order is not applicable to the Company.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.

xvi)

- (a) According to the information and explanation given to us and based on our examination of records, the Company is required to get registered under section 45-IA of the Reserve Bank of India Act, 1934. We have been informed that the Company has applied for exemption from registration as mentioned in Note no. 27.





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- (b) The Company is conducting Non-Banking Financial activities without a valid certificate of registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanation given to us by the Management, the Group has no CIC and hence, reporting under clause (xvi) (d) of the Order is not applicable to the Company.
- xvii) The company has incurred cash losses amounting to Rs. 277.48 lakhs only during the immediately preceding financial year but has not incurred any cash losses during the current financial year.
- xviii) There has been no resignation of the statutory auditors during the year;
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) The Company is not required to transfer any amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act as section 135 of the said Act is not applicable on the Company. Accordingly, reporting under clause (xx) (a), (b) of the Order is not applicable for the year.

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm's Registration Number – 306033E/E300272

A. C. Sahoo
Ashok Sahoo

Partner

Membership No: 306453

UDIN - 22306453BDRDMI8500

Place: Kolkata

Date: 28th September, 2022





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INDEPENDENT AUDITOR'S REPORT

To the Members of A A Infraproperties Private Limited
Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of A A Infraproperties Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss, 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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, its profits, its 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 Ind AS 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.

Emphasis of Matter

1. We draw attention to Note no 28 & 30 of the Financial statements, which describes that the Company has not charged interest during the year on the loan provided to its subsidiary viz. Indocean Developers Private limited ("IDPL") due to sluggish real estate market condition and covid impact. Also, the Company has not charged guarantee commission for the corporate guarantee given against the loan taken by subsidiary (IDPL) for the same reason.
The Company has neither impaired loan given to subsidiary nor investment made in subsidiary, based on valuation of inventory and projected cashflows as certified by the Independent Valuer and management of IDPL.





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2. We draw attention to Note no 29 of the Financial statements, which describes that the Company has not charged interest during the year on the loan provided to its subsidiary viz. AA Infra (Middle East) Limited ("AAIMEL") due to sluggish real estate market condition and covid impact. The Company has neither impaired loan given to subsidiary nor investment made in subsidiary, based on projected cashflows as certified by the management.

Our opinion is not modified in respect of these matters.

Other Information

The Company's Board of Directors is responsible for the other information.

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 on the other information obtained prior to the date of this auditor's report, 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.

Responsibility of Management and Those Charged with Governance for Ind AS 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 Ind AS 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 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 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.

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





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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings 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





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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, 2020 ("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.

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 book.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder.
- (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) In our opinion and according to the information and explanation given to us, Section 197 of the Act is not applicable to the company. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations which would impact its financial position in its financial Statement – Refer Note: 20 of the Ind AS financial statements
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.





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- c. There has been no such sum which needs to be transferred to the Investor Education and Protection Fund by the Company.
- d. i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our attention that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (a) and (b) above, contain any material misstatement
- e. The Company has not declared or paid any dividend during the year or in previous year.

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm's Registration Number – 306033E/E300272

A. U. Sahoo

Ashok Sahoo

Partner

Membership No: 306453

UDIN – 22306453BDRDMI8500

Place: Kolkata

Date: 28th September, 2022





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ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of A A Infraproperties Private Limited (“the Company”) as of March 31, 2022 to the extent of records available with us in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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, 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 internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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





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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.

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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company.

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm's Registration Number – 306033E/E300272

Place: Kolkata
Date: 28th September, 2022



A. h. Sahoo
Ashok Sahoo

Partner

Membership No: 306453
UDIN – 22306453BDRDMI8500



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ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i) According to the information and explanations given to us and on the basis of our examination of the books of account, the company does not have any property plant and equipment and intangible assets. Hence, reporting under clause 3(i) (a),(b),(c), (d) of the order is not applicable.
- (c) There were no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii)
- (a) According to the information and explanations given to us, the Company doesn't maintain inventory and hence reporting under clause (ii) (a) of the Order is not applicable.
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause (ii)(b) of the Order is not applicable.
- iii) According to the information and explanations given to us, the Company has granted loans, during the year to companies, covered in the register maintained under Section 189 of the Act. Accordingly, we report that;
- (a) During the year the company has given loans to its subsidiaries only. Hence reporting under clause 3(iii)(a)(B) of the Order is not applicable

(A)

Particulars	Guarantees (Rs. in lakhs)	Security (Rs. in lakhs)	Loans (Rs. in lakhs)	Advances in nature of loans (Rs in lakhs)
Aggregate amount during the year -Subsidiaries	-	-	6607.14	-
Balance outstanding as at balance sheet date in respect of above cases	-	-	70199.47	-





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- Subsidiaries

- (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) in respect of such loans, the loan is repayable on demand and the Company has waived off interest on such loans for the FY 2021-22 in view of sluggish real estate market condition and economic crisis impact on subsidiaries. The repayments are regular as and when due;
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date
- (e) According to information and explanations given to us and based on the audit procedures performed, no loans which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The company has granted following loans to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 without specifying any terms or period of repayment:

Particulars	All Parties (Rs. in lakhs)	Promoters	Related Parties (Rs. in lakhs)
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	-	-	70,199.47
- Agreement does not specify any terms or period of repayment (B)	-	-	
Total (A+B)	-	-	70,199.47





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Percentage of loans/ advances in nature of loans to the total loans	100.00	-	100.00
--	--------	---	--------

- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments, and providing guarantees and securities as applicable.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- vi) In our opinion and according to information and explanations given to us, the Company is not required to maintain cost records prescribed by the Central Government under section 148(1) of the Companies Act, 2013.
- vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities and no undisputed dues are in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, value added tax, service tax, goods and service tax which have not been deposited with the appropriate authorities on account of any dispute except the following: -

Name of the statute	Amount (Rs. in lakhs)	Period to which the amount relates (FY)	Forum where dispute is pending
Income Tax Act 1961	777.49	2016-17	CIT(A)
Income Tax Act 1961	127.44	2017-18	CIT(A)
Income Tax Act 1961	38.30	2018-19	DCIT(A)

- viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix)





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- (a) In our opinion and according to the information and explanations given to us by the management, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Hence reporting under clause (ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanation given to us and on the basis of our examination of the records, the Company has not taken term loans during the year or in previous year. Hence reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has taken funds from its holding Company to meet the obligations of its subsidiary as per details below:

Nature of Fund Taken	Name of Lender	Amount Involved (Rs. in lakhs)	Name of the Subsidiary	Relation	Nature of Transactions for funds utilized	Remarks
Short term	South City Projects (Kolkata) Limited	6631	Indocean Developers Pvt Ltd	Holding Company	For Operating expenses and repayment of loans	

- (f) According to the information and explanation given to us and procedure performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its Subsidiary. The Company does not hold any investment in any associates or joint venture (as defined under the act) during the year ended 31st March 2022.
- x)
- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private





**S K AGRAWAL AND CO CHARTERED
ACCOUNTANTS LLP**

(FORMERLY S K AGRAWAL AND CO)
CHARTERED ACCOUNTANTS
LLPIN – AAV-2926
FRN- 306033E/E300272

SUITE NOS : 606-608
THE CHAMBERS, OPP. GITANJALI STADIUM
1865, RAJDANGA MAIN ROAD, KASBA
KOLKATA - 700 107
PHONE : 033-4008 9902 / 9903 / 9904 / 9905
Website : www.skagrawal.co.in
EMAIL : Info@skagrawal.co.in

placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable.

xi)

- (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality as outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) To the best of our knowledge and according to the information and explanations given to us there were no whistle-blower complaints, received during the year by the company.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.

xiv)

- (a) In our opinion to the best of our knowledge and according to the information and explanations given to us, the company is excluded from the ambit of internal audit under section 138 of the Act, (with regard to mandatory applicability of internal audit system) and hence reporting under clause (xiv) (a) and (b) of the Order is not applicable to the Company.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.

xvi)

- (a) According to the information and explanation given to us and based on our examination of records, the Company is required to get registered under section 45-IA of the Reserve Bank of India Act, 1934. We have been informed that the Company has applied for exemption from registration as mentioned in Note no. 27.





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- (b) The Company is conducting Non-Banking Financial activities without a valid certificate of registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanation given to us by the Management, the Group has no CIC and hence, reporting under clause (xvi) (d) of the Order is not applicable to the Company.
- xvii) The company has incurred cash losses amounting to Rs. 277.48 lakhs only during the immediately preceding financial year but has not incurred any cash losses during the current financial year.
- xviii) There has been no resignation of the statutory auditors during the year;
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) The Company is not required to transfer any amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act as section 135 of the said Act is not applicable on the Company. Accordingly, reporting under clause (xx) (a), (b) of the Order is not applicable for the year.

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

Firm's Registration Number – 306033E/E300272

A. C. Sahoo
Ashok Sahoo

Partner

Membership No: 306453

UDIN - 22306453BDRDMI8500

Place: Kolkata

Date: 28th September, 2022



A A INFRAPROPERTIES PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

1. Corporate Information

A A Infraproperties Private Limited (referred to as "the Company") is a private limited company established in 2009 under the Companies Act applicable in India. The Company is engaged in the business of real estate development. The Company is domiciled in India and has its registered office at South City Business Park, 770 Anandapur, Suite no.711, Em Bye Pass Kolkata – 700107.

2. Basis of Preparation of financial statements

a) Compliance with INDAS

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind-AS") notified under section 133 of The Companies Act, 2013 read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

b) Historical cost convention

The financial statements have been prepared on going concern basis in accordance with the accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis, except for certain assets and liabilities which have been measured at fair values as explained in relevant accounting principles.

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.

3. Summary of Significant Accounting Policies

3.1. Operating Cycle

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as sixty months for ongoing projects and twelve months in case of completed projects for the purpose of current- noncurrent classification of assets and liabilities. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

3.2. Foreign Currencies

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

Transactions in foreign currencies are initially recorded in by the Company at spot rates at the functional currency spot rate (i.e. INR) at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Foreign exchange gains and losses resulting from the settlement of transactions in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit & Loss.



Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.3. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.



3.4. 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 during and 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 in future periods.

3.5. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks 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 value.

For the purpose of statement of cash flows; cash and cash equivalent, cash and short term deposits as defined above is net off outstanding bank overdrafts as they considered an integral part of the Company's cash management.

3.6. Revenue and Other Income

Revenue from contracts with customers

With effect from 1 April 2018, the Company has adopted IND AS 115 'Revenue from Contracts with Customers' which introduces a new five-step approach to measuring and recognising revenue from contracts with customers. Under IND AS 115, revenue is recognised on satisfaction of performance obligation at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The Company has elected to apply the Cumulative catch up method in adopting IND AS 115. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.

Revenue is recognized when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of revenue transaction as set-out below:

Interest Income is recognised using the effective interest method and is included under the head 'Other Income' in the Statement of Profit and Loss.

Dividend Income is recognised when the Company's right to receive dividend is established.

Disaggregation of Revenue

Note 16 presents disaggregated revenues from contracts with customers for the year ended March 31, 2022 by performance obligation. The Company believes that this disaggregation best



depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors:

3.7. Taxes on Income

Tax expense comprises current and deferred tax.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is provided using the Balance Sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.



AA INFRA PROPERTIES PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

3.8. Provisions and Contingencies

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

If the effect of the time value of money is material, provisions 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 recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

3.9. Borrowing Costs

Borrowing Costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the borrowing costs. Borrowing Costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date the asset is ready for its intended use is added to the cost of the assets. Capitalisation of Borrowing Costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are expensed in the period they occur.

3.10. Earnings Per Share

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

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

3.11. 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 another entity.



A. Financial assets

i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

ii. Subsequent measurement

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

- a. Debt instruments at amortised cost
- b. Equity instruments measured at fair value through other comprehensive income FVTOCI

Debt instruments at amortised cost other than derivative contracts

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value other than equity investments measured at deemed cost. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iii. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:



- The rights to receive cash flows from the asset have expired, or
- the Company has transferred substantially all the risks and rewards of the asset

iv. Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.



AA INFRAPROPERTIES PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

B. Financial liabilities

i. Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, investment in subsidiaries and joint ventures, net of directly attributable transaction costs.

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

ii. Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include derivatives, financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the statement of profit and loss.



AA INFRAPROPERTIES PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year. The amounts are generally unsecured. Trade and other payables are presented as current liabilities unless payment is not due within the Company's operating cycle. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the lender for a loss it incurs because the specified borrower fails to make a payment when due in accordance with the terms of a loan agreement. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



AA INFRA PROPERTIES PRIVATE LIMITED

Balance Sheet as at 31st March 2022

	Notes	₹ in Lakhs	
		As at 31-March-2022	As at 31-March-2021
ASSETS			
Non-current assets			
Financial assets			
(a) Investments	4	2,908.46	2,908.46
(b) Other Financial Assets	5b	1,884.87	1,760.00
		<u>4,793.33</u>	<u>4,668.46</u>
Current assets			
Financial assets			
(a) Loans	5a	70,199.47	63,592.34
(b) Cash and cash equivalents	7	212.27	15.30
(c) Other Financial Assets	5c	13.90	90.32
Current Tax Assets(Net)	8	18.93	24.90
Other current assets	9	143.44	321.79
		<u>70,588.01</u>	<u>64,044.65</u>
Total assets		<u>75,381.34</u>	<u>68,713.11</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	41.00	41.00
Other Equity	11	2,696.47	2,657.91
Total Equity		<u>2,737.47</u>	<u>2,698.91</u>
Liabilities			
Non-current liabilities			
Financial liabilities			
Deferred Tax Liabilities (Net)	6	-	-
		<u>-</u>	<u>-</u>
Current liabilities			
Financial liabilities			
(a) Borrowings	12a	72,635.55	66,004.55
(b) Other financial liabilities	12b	8.09	4.66
Other current liabilities	13	0.23	4.99
		<u>72,643.87</u>	<u>66,014.20</u>
Total liabilities		<u>72,643.87</u>	<u>66,014.20</u>
Total equity and liabilities		<u>75,381.34</u>	<u>68,713.11</u>

Significant Accounting Policies

3

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

As per our report on even date

For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm Registration No : 306033E/E300272

A. U. Sahoo

Ashok Kumar Sahoo

Partner

Membership No.-306453

Place: Kolkata

Dated: 28th September 2022



For and on behalf of the Board of Directors

AA Infraproperties Private Limited

Director

AA Infraproperties Private Limited

Director

AA INFRAPROPERTIES PRIVATE LIMITED
Statement of Profit & Loss for the year ended 31st March, 2022

		₹ in Lakhs	
	Notes	2021-22	2020-21
Income			
Other income	16	92.67	92.50
Total income		92.67	92.50
Expenses			
Other expenses	17	41.13	369.98
Total expenses		41.13	369.98
Profit/(Loss) before tax		51.54	(277.48)
Tax expense			
Current Tax		12.98	-
Deferred Tax	6	-	-
Income Tax of Earlier Years		-	-
		12.98	-
Profit/(Loss) for the year (I)		38.56	(277.48)
Other Comprehensive income:		-	-
Other comprehensive income/(loss) for the year, net of tax (II)		-	-
Total comprehensive income/(Loss) for the year, net of tax (I + II)		38.56	(277.48)
Earnings per Equity Share of ₹ 10 each	18		
Basic & Diluted		9.41	(67.68)

Significant accounting policies

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

For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm Registration No : 306033E/E300272

A. K. Sahoo

Ashok Kumar Sahoo

Partner

Membership No.-306453

Place: Kolkata

Dated: 28th September 2022


For and on behalf of the Board of Directors
AA Infraproperties Private Limited

[Signature]

Director
AA Infraproperties Private Limited

[Signature]

Director

A A INFRAPROPERTIES PRIVATE LIMITED
Statement of Changes in Equity for the year ended 31st March, 2022
a. Equity Share Capital:

Equity shares of Re 10 each issued, subscribed and fully paid

As at 31st March 2021

Issue of share capital

As at 31st March 2022

No. of shares	₹ in Lakhs
4,10,000	41
-	-
4,10,000	41

b. Other equity
For the year ended 31st March 2022
₹ in Lakhs

Particulars	Reserves & Surplus			Total Equity
	Equity Component of Compound Financial Instruments (Preference shares)	Retained earnings	Other Comprehensive Income	
As at 1 April 2021	1,233.45	1,424.46	-	2,657.91
Profit/(Loss) for the year	-	38.56	-	38.56
Total Comprehensive Income for the year	-	38.56	-	38.56
Dividends (Note 15)	-	-	-	-
Dividend distribution tax on dividend (Note 15)	-	-	-	-
As at 31st March 2022	1,233.45	1,463.02	-	2,696.47

For the year ended 31st March, 2021
₹ in Lakhs

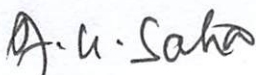
Particulars	Reserves & Surplus			Total Equity
	Equity Component of Compound Financial Instruments (Preference shares)	Retained earnings	Other Comprehensive Income	
As at 1st April 2020	1,409.65	1,701.94	-	3,111.59
Profit/(Loss) for the year	-	(277.48)	-	(277.48)
Total Comprehensive Income for the year	-	(277.48)	-	(277.48)
Dividends (Note 15)	-	-	-	-
Dividend distribution tax on dividend (Note 15)	-	-	-	-
Redemption of Preference Share	(176.20)	-	-	(176.20)
As at 31 March 2021	1,233.45	1,424.46	-	2,657.91

As per our report on even date

For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm Registration No : 306033E/E300272


Ashok Kumar Sahoo

Partner

Membership No.-306453

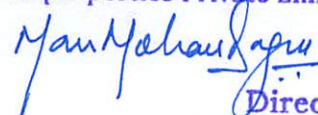
Place: Kolkata

Dated: 28th September 2022



For and on behalf of the Board of Directors

AA Infraproperties Private Limited

Director
AA Infraproperties Private Limited

Director

AA INFRAPROPERTIES PRIVATE LIMITED
Statement of Cash Flows for the year ended 31st March, 2022

		₹ in Lakhs	
Particulars	March 31,2022	March 31,2021	
A. CASH FLOW FROM OPERATING ACTIVITIES:			
Net Profit/(Loss) before tax	51.54	(277.48)	
Adjustment to reconcile profit before tax to net cash flow			
Interest on Fixed Deposit	(53.83)	(89.90)	
Profit on sale of mutual fund	(22.62)	(2.60)	
Operating profit before working capital changes	(24.91)	(369.98)	
Adjustments for-			
Other Financial liabilities	3.43	(49.38)	
Other Current Asset	176.73	(8.00)	
Other current liabilities	(4.76)	3.09	
Cash generated in operations	150.49	(424.27)	
Income Tax Paid (net of refund)	-	-	
Net Cash inflow from Operating Activities	150.49	(424.27)	
B. CASH FLOW FROM INVESTING ACTIVITIES:			
Profit on sale of mutual fund	22.62	2.60	
	22.62	2.60	
Less : Loan given to Subsidiary	(6,607.14)	(14,538.69)	
Net cash flow from Investing Activities	(6,584.52)	(14,536.09)	
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Loan taken	6,751.00	15,341.94	
Loan Repaid	(120.00)	(0.94)	
Redemption of Preference Shares	-	(375.00)	
Net cash flow from Financing Activities	6,631.00	14,966.00	
Net increase in cash and cash equivalents (A+B+C)	196.97	5.64	
Cash and Cash Equivalents at the beginning of the year (Refer note-7)	15.30	9.66	
Cash and Cash Equivalents at the end of the year (Refer note-7)	212.27	15.30	

In terms of our attached report of even date

For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP
Chartered Accountants
Firm Registration No : 306033E/E300272

A. K. Sahoo

Ashok Kumar Sahoo
Partner

Membership No.-306453

Place: Kolkata

Dated: 28th September 2022



For and on behalf of the Board of Directors

AA Infraproperties Private Limited

[Signature]

Director

AA Infraproperties Private Limited

[Signature]

Director

AA INFRAPROPERTIES PRIVATE LIMITED

Statement of Cash Flows for the year ended 31st March 2022 (Contd.)

Notes :

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS - 7) - Statement of Cash Flow.

(b)

₹ in Lakhs

Particulars	As at 31.03.2022	As at 31.03.2021
Cash and Cash Equivalants comprises of		
Cash in hand	0.25	0.14
Balances with banks:		
– On current accounts	212.02	15.16
Cash and Cash Equivalants in Cash Flow Statement	212.27	15.30

Particulars	As at 31.03.2021	Cash Flow	Non - Cash Changes		As at 31.03.2022
			Fair Value Changes	Current/ Non - Current Classification	
Borrowings - Non Current	64,613.00	6,631.00	-	Current	71,244.00

As per our report of even date

For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm Registration No : 306033E/E300272

A. C. Sahoo

Ashok Kumar Sahoo

Partner

Membership No.-306453

Place: Kolkata

Dated: 28th September 2022



For and on behalf of the Board of Directors

AA Infraproperties Private Limited

[Signature]

Director

AA Infraproperties Private Limited

[Signature]

Director

A A INFRAPROPERTIES PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2022

Note 4. Financial assets - Investments

	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021
Investments (Fully Paid)		
At deemed cost:		
<i>Equity shares-Unquoted</i>		
<u>In Subsidiary Companies</u>		
Indocean Deveopers Private limited 6985317 Shares of LKR 100 each fully paid up (6985317 Shares of LKR 100 each fully paid up)	2,895.69	2,895.69
AA Infra(Middle East) Ltd 20000 shares of \$1.00 Each fully paid up (20000 shares of \$1.00 Each fully paid up)	12.77	12.77
	<u>2,908.46</u>	<u>2,908.46</u>
Total Non Current Investments	<u>2,908.46</u>	<u>2,908.46</u>



AA INFRAPROPERTIES PRIVATE LIMITED**Notes to financial statements for the year ended 31st March, 2022****Note 5a. Financial assets - Loans (Current)**

(Unsecured considered good unless otherwise stated)

	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021
Loans to related party (Refer Note 21)		
Subsidiary Companies		
Considered Good		
Indocean Developers Pvt. Ltd	58,840.71	52,233.58
AA Infra(Middle East) Ltd	11,358.76	11,358.76
Total loans	70,199.47	63,592.34

Note 5b. Other Financial Assets (Non Current)

	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021
Term Deposits with maturity of more than twelve months *	1,884.87	1,760.00
Total other financial assets	1,884.87	1,760.00

* Pledge with bank as security against loan taken by the subsidiary- Indocean Developers Pvt Ltd

Note 5c. Other Financial Assets (Current)

	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021
Guarantee Commission Receivable	-	16.22
Less: Provision for Expected Credit Loss	-	(16.22)
Accrued Interest on Fixed Deposit	13.90	90.32
Total other financial assets	13.90	90.32



A A INFRAPROPERTIES PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2022

Note 6 - Deferred Tax Assets & Liabilities (Net)

Nature - (liability) / asset	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021
Deferred Tax Liabilities		
Fair valuation of Mutual funds	-	-
Total (A)	-	-
Net Deferred Tax (Liabilities)/Assets	-	-

	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021

The reconciliation of estimated income tax expenses at statutory income tax rate to income tax expenses reported in Statement of Profit & Loss is as follows :

Accounting Profit/(Loss) Before Income Tax	51.54	(277.48)
Indian statutory Income Tax rate (%)	25.17%	25.17%
Expected Income Tax Expenses	12.97	-
Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses :		
Income exempt from income taxes	-	-
Fair Value gain not recognised in taxable profit	-	-
Additional Income	-	-
Impact of differential tax rate	-	-
Impact due to different head of income	-	-
Permanent differences	-	-
Deferred Tax (see note above)	-	-
Total Income Tax Expenses	12.97	-
Effective Tax Rate	25.17%	-



A A INFRA PROPERTIES PRIVATE LIMITED

Notes to financial statements for the year ended 31st March , 2022

Note 7. Cash and Cash Equivalents

	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021
Balances with Banks in Current Accounts	212.02	15.16
Cash on hand	0.25	0.14
Total Cash and Cash Equivalents	212.27	15.30

Note 8. Current Tax Assets/ (Liabilities)

		₹ in Lakhs	
		As at 31-Mar-2022	As at 31-Mar-2021
Current Tax Assets	(A)	681.77	674.77
Current Tax liabilities	(B)	662.84	649.87
Net Current Tax Assets/ (Liabilities)	(A-B)	18.93	24.90

Note 9. Other Current Assets

	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021
Advances to related parties (Refer Note 21)		
Indocean Developers Pvt. Ltd.	15.33	185.64
AA Infra Properties Ltd	0.05	0.05
Balance with Government Authorities	127.75	127.75
Advance for Expenses	0.31	8.35
Total other assets	143.44	321.79



AA INFRAPROPERTIES PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2022

Note - 10. Equity Share Capital

	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021
Authorised Capital		
10,00,000 Equity Shares of Rs. 10 each	100.00	100.00
Issued, Subscribed and Paid-up Capital		
4,10,000 Equity Shares of Rs. 10 each fully paid up in cash	41.00	41.00
Total Equity Share Capital	41.00	41.00

a) The Reconciliation of Share Capital is given below:

	As at 31-Mar-2022		As at 31-Mar-2021	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
At the beginning of the year	4,10,000	41.00	4,10,000	41.00
Issued during the Year	-	-	-	-
At the end of the year	4,10,000	41.00	4,10,000	41.00

b) Terms/Rights attached to class of shares

The Company has only one class of Equity Shares having a par value of Rs 10 each. Holder of each Equity Share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 the shareholders.

c) Details of Shareholders holding more than 5 percent of Equity Shares in the Company

	As at 31-Mar-2022		As at 31-Mar-2021	
	No. of Shares	% holding	No. of Shares	% holding
South City Projects (Kolkata) Ltd	4,10,000	100.00%	3,58,750	87.50%
Jaideep Halwasiya	-	-	51,250	12.50%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares. 400 shares were transferred by South City Projects(Kolkata) Ltd to Mr. Jugal Kishore Khetawat- 100 Shares, Mr. Ravi Todi-100 Shares, Mr. Sushil Kumar Mohta -100 Shares & Mr. Pradeep Kumar Sureka -100 shares. However beneficial interest of these shares are with South City Projects (Kolkata) Ltd.



A A INFRAPROPERTIES PRIVATE LIMITED
Notes to financial statements for the year ended 31st Mar, 2022
Note - 11. Other equity

	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021
Reserves & Surplus		
Retained earnings	1,463.02	1,424.46
Equity Component of Compound Financial instrument(Preference shares)	1,233.45	1,233.45
Total other equity	2,696.47	2,657.91

Retained Earnings - Retained earnings includes surplus in the Statement of Profit and Loss, Ind-AS related adjustments as on the date of transition, remeasurement gains/ losses on defined benefit obligations.

Note 12a. Borrowings (Current)

	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021
Unsecured		
Loan from Related Parties		
From Holding Company -South City Projects(Kolkata) Ltd *	71,244.00	64,613.00
Compound financial Instruments		
5% Redeemable Non-Cumulative Non- convertible Preference Shares **	1,391.55	1,391.55
Total Borrowings	72,635.55	66,004.55

* The above Unsecured loan is interest free and is repayable on demand.

** 5% Redeemable Non - cumulative non - convertible preference share will be redeemed 15 year from the date of issue.

Note 12b. Other financial liabilities(Current)

	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021
Other Payables	8.09	4.66
Total Other financial liabilities	8.09	4.66

Note 13. Other current liabilities

	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021
Statutory Dues	0.23	4.99
Total other current Liabilities	0.23	4.99



A A INFRAPROPERTIES PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2022

Note 14a. Financial Assets

	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021
Financial Assets - Non Current		
<u>At Deemed Cost</u>		
Investments	2,908.46	2,908.46
Total Non current financial assets (a)	2,908.46	2,908.46
Financial assets - current		
<u>At Amortised cost</u>		
(a) Loans	70,199.47	63,592.34
(b) Cash and cash equivalents	212.27	15.30
(c) Other financial assets	13.90	90.32
Total Current financial assets (b)	70,425.64	105.62
Total financial assets (a + b)	73,334.10	3,014.08

Note 14b. Financial liabilities

	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021
Financial Liabilities - Current		
<u>At Amortised Cost</u>		
Borrowings	72,635.55	66,004.55
Other financial liabilities	8.09	4.66
Total Current Financial Liabilities	72,643.64	66,009.21
Total Financial Liabilities	72,643.64	66,009.21



A A.INFRAPROPERTIES PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2022

Note 15. Distribution of Dividend

	₹ in Lakhs	
	As at 31-Mar-2022	As at 31-Mar-2021
Dividends on Preference shares declared and paid:		
Final dividend for 31st March 2021- ₹` 0.00 per share (31st March 2020 - ₹` 0.00 per share)	-	-
DDT on final dividend	-	-
	-	-

Note:

The Board of directors has not recommended any dividend for financial year ended 31st March 2022 .



A A INFRAPROPERTIES PRIVATE LIMITED
Notes to financial statements for the year ended 31st March, 2022
Note 16. Other income

	₹ in Lakhs	
	2021-22	2020-21
Other Non Operating income		
Interest on Fixed Deposit	53.83	89.90
Profit on sale of Mutual Fund	22.62	2.60
Reversal of expected Credit loss	16.22	-
Total	92.67	92.50

Note 17. Other Expenses

	₹ in Lakhs	
	2021-22	2020-21
Rates & Taxes	0.02	0.02
Audit Fees	2.36	1.77
Bank Charges	0.60	0.07
Professional Fees	4.89	358.31
Travelling Expenses	30.53	8.16
Conveyance Expenses	0.17	0.20
Miscellaneous Expenses	2.56	1.45
Total	41.13	369.98

Note 17.1 Auditor's Remuneration

	₹ in Lakhs	
	2021-22	2020-21
As Auditor:		
Audit fees	1.77	1.77
As other matters	0.59	-
Total	2.36	1.77



A A INFRAPROPERTIES PRIVATE LIMITED**Notes to financial statements for the year ended 31st March, 2022****Note 18. Earnings Per Share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the 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 of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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

	2021-22	2020-21
Net Profit for calculation of Basic and Diluted Earnings Per Share (₹ in lakhs)	38.56	(277.48)
Weighted average number of shares (Nos.)	4,10,000	4,10,000
Earning per equity share		
Basic & Diluted earning per share (₹)	9.41	(67.68)



A A INFRAPROPERTIES PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2022

Note 19. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements, Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. In the process of applying the Company's accounting policies, management has made the following judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the Financial Statements:

Fair value measurement of financial instruments and guarantees

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows. The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.



A A INFRAPROPERTIES PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2022

Note 20. Contingent Liabilities

	As at 31-Mar-2022	₹ in Lakhs As at 31-Mar-2021
i) Claims against the Company not acknowledged as debts:		
Income Tax (Net of advances)	943.23	943.23
Total	943.23	943.23
	As at 31-Mar-2022	As at 31-Mar-2021
ii). Guarantees given		
Against Loans taken by a Subsidiary - Indocean Developers Pvt Ltd	1,760.00	1,760.00
Total	1,760.00	1,760.00



A A INFRAPROPERTIES PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2022

Note 21. Disclosure in respect of Related Parties pursuant to Ind AS 24**List of Related Parties****I. Parent and Subsidiary Companies:**

Name of related parties	Nature of relationship	% of Holding
South City Projects (Kolkata) Ltd	Parent	100%
Indocean Developers Private Ltd	Subsidiary	100%
AA Infra(Middle East) Ltd	Subsidiary	100%
AA Infra Properties Ltd	Step Down Subsidiary Company	100%

II. Other related parties with whom transactions have taken place during the year:**a) Key Management Personnel**

Name of related parties	Nature of relationship
Mr. Jugal Kishore Khetawat	Non- Executive Director
Mr. Pradeep Kumar Sureka	Non- Executive Director
Mr. Rajendra Kumar Bachawat	Non- Executive Director
Mr. Sushil Kumar Mohta	Non -Executive Director
Mr. Nitesh Kumar Gupta	Non -Executive Director
Mr. Man Mohan Bagree	Non -Executive Director

b) Entities where Key Management Personnel & their relatives have significant influence with whom transactions have taken place during the year

AA INFRAPROPERTIES PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2022(Contd.)

C. Transactions :-

Particulars	Holding Co- South City Projects (Kolkata) Limited	Wholly Owned Subsidiary- Indocean Developers Private Limited	Wholly Owned Subsidiary- AA Infra(Middle East) Limited	Stepdown Subsidiary- AA Infra Properties Ltd , JAFZA
Loan taken	6,751.00 (15,341.94)	- (-)	- (-)	- (-)
Loan Repayment	120.00 (0.94)	- (-)	- (-)	- (-)
Outstanding at the end of the year	71,244.00 (64,613.00)	- (-)	- (-)	- (-)
Loan Given	- (-)	66,071.38 (14,538.70)	- (-)	- (-)
Loan Repayment	- (-)	- (-)	- (-)	- (-)
Outstanding at the end of the year	- (-)	58,840.71 (52,233.58)	11,358.76 (11,358.76)	- (-)
Investment	- (-)	- (-)	- (-)	- (-)
Outstanding at the end of the year	- (-)	2,895.69 (2,895.69)	12.77 (12.77)	- (-)
Advance Given	- (-)	18.38 (41.59)	- (-)	- (-)
Advance Repayment	- (-)	204.91 (401.95)	- (-)	- (-)
Guarantee Comission	- (-)	- (16.22)	- (-)	- (-)
Outstanding at the end of the year	- (-)	15.33 (201.85)	- (-)	0.05 (0.05)
Advances Received	2 (1)	-	- (-)	- (-)
Advances Repayment	2 (-)	- (-)	- (-)	- (-)
Outstanding at the end of the year	- (-)	-	- (-)	- (-)
Guarantee given (Refer note 21(b))	- (-)	1,760.00 (1,760.00)	- (-)	- (-)
Outstanding at the end of the year	- (-)	1,760.00 (1,760.00)	- (-)	- (-)
Guarantee Received	- (-)	1,760.00 (1,760.00)	-	-
Outstanding at the end of the year	- (-)	1,760.00 (1,760.00)	- (-)	- (-)

Note : Figures as on 31.03.2021 are given in ()



Note 22. Fair Value Hierarchy

The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:-

Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

a) Financial assets and liabilities measured at fair value at 31 March 2022

No financial assets and liabilities measured at fair value

(b) Financial instruments at amortized cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled

(c) During the year there has been no transfer from one level to another



Note 23. Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The Company has various financial assets such as trade receivables, loans, investments, short-term deposits and cash & cash equivalents, which arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's Board of Directors assures 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.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Credit Risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.

The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost.

The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost includes security deposits, Loans given and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

a) Credit Risk Management**1. Credit Risk Rating**

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

- A. Low Credit Risk
- B. Moderate Credit risk
- C. High credit risk

The company provide expected credit loss based on the following:

Asset Group	Description
Low Credit Risk	Cash and cash equivalents, other bank balances
Moderate Credit Risk	Loans & Investment & Other financial assets

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

₹ in Lakhs

Credit Rating	Particulars	March 31, 2022	March 31, 2021
Low Credit Risk	Cash and cash equivalents, other bank balances	2,097	1,775
Moderate Credit Risk	Loans & Investment & Other financial assets	73,122	66,591



A A INFRAPROPERTIES PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2022 (Contd.)

B. 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.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of Financial Liabilities

The table below analyse the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities

Mar 31, 2022

₹ in Lakhs

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	72,635.55	-	-	72,635.55
Other Financial Liabilities	8.09	-	-	8.09

Mar 31, 2021

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	66,004.55	-	-	66,004.55
Other Financial Liabilities	4.66	-	-	4.66

C. Market Risk**a. Interest Rate Risk**

The Company has taken debt to finance its working capital, which exposes it to interest rate risk. Borrowings issued at variable rates expose the Company to interest rate risk.

Interest Rate Risk Exposure

Particulars	Mar 31, 2022	March 31, 2021
Variable Rate Borrowing	-	-
Fixed Rate Borrowing	71,244.00	64,613.00

Interest rate sensitivity

Profit or loss and equity is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Mar 31, 2022	March 31, 2021
Interest Sensitivity*		
Interest Rates increase by 100 basis points	-	-
Interest Rates decrease by 100 basis points	-	-

*Holding all other variables constant

b. Price Risk

The Company's exposure to price risk arises from investments held and classified as FVTPL or FVOCI. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

Sensitivity Analysis

Particulars	Mar 31, 2022	March 31, 2021
Price Sensitivity*		
Price increase by 5%- FVTPL	-	-
Price decrease by 5%- FVTPL	-	-

*Holding all other variables constant



A A INFRA PROPERTIES PRIVATE LIMITED**Notes to financial statements for the year ended 31st March, 2022****Note 24. Capital management**

For the purpose of the Company's capital management, capital includes issued equity share capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The Company's policy is to use short term and long term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents). Equity comprises share capital and free reserves (total reserves excluding OCI). The following table summarizes the capital of the Company:

		₹ in Lakhs	
		31-Mar-22	31-Mar-21
Borrowings (Current)		72,635.55	66,004.55
Other Financial Liabilities		8.09	4.66
Less: Cash and cash equivalents		212.27	15.30
Other Financial Assets		1,898.77	1,850.32
Net debt	(a)	70,532.60	64,143.59
Total capital	(b)	2,737.47	2,698.91
Capital and net debt	(a+b)	73,270.07	66,842.50
Gearing ratio	(a/a+b)	96.26%	95.96%



A A INFRAPROPERTIES PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2022

Note 25 : Ratios

Sr. No.	Particulars	Numerator	Denominator	31-Mar-22	31-Mar-21	Variance	Remarks for variance more than 25%
i.	Current Ratio	Current Assets	Current Liabilities	0.97	0.97	0.16%	-
ii.	Debt Equity Ratio	Debt	Net Worth	26.54	24.46	8.50%	-
iii.	Debt Service Coverage Ratio	Profit before exceptional items, tax and finance cost	Finance Cost + Principal repayment made for Non-Current borrowings and Non-Current Lease Liabilities	-	-	-	Not Applicable.
iv.	Return on Equity Ratio	Profit after Tax	Average Shareholders' Funds (Total Equity)	0.014	(0.09)	-115.76%	Last year huge expenses incurred on litigation
v.	Inventory Turnover Ratio	Sale of Goods	Average Inventories of Finished Stock	-	-	-	Not Applicable.
vi.	Trade Receivables Turnover Ratio	Sale of Goods	Average Gross Trade Receivables (before provision)	-	-	-	Not Applicable.
vii.	Trade Payable Turnover Ratio	Cost of Materials Consumed + Purchase of Stock-in-Trade + Changes in Inventories of finished goods, WIP & Stock-in-Trade + Other expenses	Average Trade Payable	-	-	-	Not Applicable.
viii.	Net Capital Turnover Ratio	Sale of Goods	Current Assets less Current Liabilities (excluding current maturity of Non Current Borrowing and Non Current Lease Liabilities)	-	-	-	Not Applicable.
ix.	Net Profit Ratio	Net Profit for the Period	Total Income	0.42	(3.00)	-114.00%	Last year huge expenses incurred on litigation
x.	Return on Capital Employed	Profit before exceptional items, tax and finance cost	Networth + Debt + Deferred Tax Liability	0.0013	0.0015	-15.78%	-
xi.	Return on Investment	Interest income from financial assets carried at amortised cost + Net gain on financial asset measured at fair value through profit and loss	Average (Non Current Investments + Current Investments + Non Current Loans receivable + Current Loans receivable - Investments in equity instruments of subsidiaries - Investments in preference shares of subsidiaries - investments in debentures of subsidiaries)	0.0011	0.0014	-25.08%	Decrease due to decrease in interest on fixed deposit



A A INFRA PROPERTIES PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2022

Note 26:

The Company had assessed its Preference Share Capital with premium on redemption to be a Compound financial Instruments and accordingly split the same as per IND AS 109 into Financial Liability Instrument of INR 1391.55 lakhs and Equity Instrument of INR 1233.45 lakhs.

Note 27:

The Company had applied to Reserve Bank of India seeking exemption from registration as Core Investment Company.

Note 28:

In view of sluggish real estate market condition and covid impact on subsidiary viz. Indocan Developers Private Limited ("IDPL"), the Company has waived off interest on the loan given to subsidiary viz IDPL. Based on the valuation of inventory and projected cash flow of IDPL certified by Independent Valuer and management of IDPL, the loan is good and thus need not be impaired/provided for.

Note 29:

In view of sluggish real estate market condition and covid impact on subsidiary viz. AA Infra (Middle East) Limited ("AAIMEL"), the Company has waived off interest on the loan given to subsidiary viz AAIMEL. Based on projected cash flow of AAIMEL certified by management of AAIMEL, the loan is good and thus need not be impaired/provided for.

Note 30:

The company has waived off the guarantee commission for the corporate guarantee in reference to IND AS - 109, given against the loan taken by subsidiary viz. Indocan Developers Private limited ("IDPL") in view of sluggish real estate market condition and covid impact.

Note 31:

Figures for the Previous Year have been re-grouped and/or re-arranged wherever necessary.

As per our report on even date

For S K AGRAWAL AND CO CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm Registration No : 306033E/E300272

A. K. Sahoo

Ashok Kumar Sahoo

Partner

Membership No.-306453

Place: Kolkata

Dated:



For and on behalf of the Board of Directors

AA Infraproperties Private Limited

[Signature]

Director

AA Infraproperties Private Limited

[Signature]

Director