

ANNUAL ACCOUNTS

2020-21

South City Projects (Kolkata) Ltd.

INDEPENDENT AUDITOR'S REPORT

To the Members of South City Projects (Kolkata) Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone financial statements of South City Projects (Kolkata) Limited ("the Company"), which comprise the standalone balance sheet as at 31st March 2021, 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 standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 March 31, 2021, its profit, its changes in equity and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note no. 40 of the Standalone financial statements, the Company has not charged interest during the year on the loan provided to its subsidiary (AAIPL). The loan taken by AAIPL has been further given to step down subsidiaries for various real estate activities. AAIPL has also not charged interest during the year on the loans given to step down subsidiaries, due to sluggish real estate market condition. Also, the Company has not charged guarantee commission for the corporate guarantee given against the loan taken by step down subsidiary (IDPL) for the same reason.

The Company has neither impaired loan given to subsidiary nor investment made in subsidiary, based on projected cashflows as certified by the management. The loans given to step down subsidiaries by AAIPL is fully realisable as per the projected cashflows.

Other Information

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

Our opinion on the Standalone 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 Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone 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 Standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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 matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "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 books.
- (c) The Standalone Balance Sheet, the Standalone 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, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid Standalone 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the matter to be included in the Auditor's Report under section 197(16)

In our opinion and according to the information and explanation given to us, the Company has not given any remuneration to its any director during the current year. Thus, provisions of section 197 of the Act is not



Agrawal Tondon & Co.

CHARTERED ACCOUNTANTS

Firm Registration No. : 329088E

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applicable. 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:

- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements – Refer Note No. 32
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no such sum which needs to be transferred to the Investor Education and Protection Fund by the Company.

For Agrawal Tondon & Co.
Chartered Accountants
Firm Registration No.329088E

Radhakrishnan Tondon
Partner

Membership No. 060534

UDIN- 21060534AAAAEN5879

Place: Kolkata
Dated: 23rd September 2021



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph I(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 South City Projects (Kolkata) Limited ("the Company") as of March 31, 2021 to the extent of records available with us in conjunction with our audit of the Standalone 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 Standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 Standalone 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, 2021 based on the internal control over financial reporting criteria established by the Company.

For Agrawal Tondon & Co.
Chartered Accountants
Firm Registration No.329088E

Radhakrishnan Tondon
Partner

Membership No. 060534
UDIN- 21060534AAAAENV5879

Place: Kolkata
Dated: 23rd September 2021



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. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification
 - (c) According to the information and explanations given to us and the records examined by us including registered title deeds, we report that, the title deeds, comprising all the immovable properties, are held in the name of the Company as at the balance sheet date.
- ii. According to the information and explanations given to us, the inventory has been physically verified during the year by the management at regular intervals. In our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on physical verification.
- iii. The Company has granted unsecured loans to companies covered in the Register maintained under section 189 of the Companies Act, 2013 ('the Act'). In respect of such loans:
 - a) In our opinion, the rate of interest and other terms and conditions on which loans has been granted to the company listed in the register maintained under section 189 of the Act is not, prima facie, prejudicial to the interest of the company;
 - b) In case of the loans granted to the company listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated ; and
 - c) There are no overdue amounts in respect of the loan granted to the Company;
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of 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. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of Cost Records under section 148(1) of the Act, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- 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, IncomeTax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.



- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- (c) According to the records of the company, the dues outstanding of service tax on account of any dispute, are as follows:-

Name of the Statute	Nature of Dues	Amount under dispute not yet deposited (Rs. in lakhs)	Financial year to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	132.54	2006-07 to 2010-11	Appellate Tribunal, Kolkata
Finance Act, 1994	Service tax	11.55	2010-11	Appellate Tribunal, Kolkata
Finance Act, 1994	Service tax	827.06	2007-08 to 2011-12	Appellate Tribunal, Kolkata
Finance Act, 1994	Service tax	18.90	2007-08 to 2011-12	Commissioner, Service Tax (Appeal), Kolkata

- viii. In our opinion and according to the information and explanations given to us by the management, the Company has not defaulted in the repayment of dues to banks and debenture holders during the year.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were applied for the purpose for which the loans were obtained.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, the Company has not paid managerial remunerations and hence reporting under clause in accordance with the provisions of section 197 read with Schedule V to the Act;
- 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 Standalone financial statements as required by the applicable Indian accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.



Agrawal Tondon & Co.

CHARTERED ACCOUNTANTS

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- 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. According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Agrawal Tondon & Co.
Chartered Accountants
Firm Registration No.329088E

Radhakrishnan Tondon
Partner

Membership No. 060534

UDIN- 21060534 AAAAEN5879

Place: Kolkata

Dated: 23rd September 2021



SOUTH CITY PROJECTS (KOLKATA) LIMITED
CIN No. - U21019WB1995PLC071252
Standalone Balance Sheet as at 31st March, 2021

	Notes	As at 31.03.2021	₹ in Lakhs As at 31.03.2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4.1	17,909.42	19,217.98
Capital Work-in-Progress	4.2	30.02	1.88
Right to use of Assets	4.3	906.92	921.83
Intangible Assets	4.4	5.69	10.30
Financial Assets			
(a) Investments	5.1	3,229.98	16,261.70
(b) Trade Receivables	5.2	562.53	387.26
(c) Other Bank Balances	9.2	21,836.26	7,580.00
(d) Loans	5.3	850.04	1,417.48
(e) Other Financial Assets	5.4	2,243.97	1,310.33
Deferred Tax Assets (Net)	6.2	381.23	285.92
Other Non-Current Assets	7	7,327.79	7,722.37
Total (A)		55,283.85	55,117.06
Current Assets			
Inventories	8	22,176.82	21,850.97
Financial Assets			
(a) Trade Receivables	5.2	1,343.40	1,419.97
(b) Cash and Cash Equivalents	9.1	663.77	143.43
(c) Bank Balances other than (b) above	9.2	37.65	4,062.62
(d) Loans	5.3	67,582.88	52,484.04
(e) Other Financial Assets	5.4	1,013.12	687.89
Current Tax Assets (Net)	6.1	1,422.90	943.09
Other Current Assets	7	2,097.80	1,686.68
Total (B)		96,338.34	83,278.71
Total Assets (A+B)		151,622.19	138,395.76
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	450.07	450.07
Other Equity	11	48,315.29	48,286.14
Total (A)		48,765.36	48,736.21
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(a) Borrowings	12.1	59,868.64	54,247.37
(b) Other Financial Liabilities	12.2	0.35	0.31
Provisions	13	232.43	238.77
Other Non Current Liabilities	15	6,771.93	6,904.67
Total (B)		66,873.35	61,391.12
Current Liabilities			
Financial Liabilities			
(a) Borrowings	12.1	15,174.41	13,906.32
(b) Trade Payables			
Total Outstanding Dues of Micro Enterprises and Small Enterprises	14	-	21.95
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	14	3,594.72	3,869.90
(c) Other Financial Liabilities	12.2	12,797.82	6,419.96
Other Current Liabilities	15	4,360.84	3,985.89
Provisions	13	55.68	64.40
Total (C)		35,983.48	28,268.42
Total Equity and Liabilities (A+B+C)		151,622.19	138,395.76
Significant Accounting Policies			
1-3			
The accompanying notes are an integral part of the financial statements.			
As per our report of even date			

For **AGRAWAL TONDON & CO.**

Chartered Accountants

Firm Registration No : 3290881E

Radhakrishnan Tondon

Partner

Membership No- 060534

Place: Kolkata

Dated: 23rd September, 2021

For **South City Projects (Kolkata) Ltd.**

Director

For **South City Projects (Kolkata) Ltd.**

For **South City Projects (Kolkata) Ltd.**

Director

Company Secretary



SOUTH CITY PROJECTS (KOLKATA) LIMITED

CIN NO. - U21019WB1995PLC071252

Statement of Standalone Profit & Loss for the year ended 31st March, 2021

₹ in Lakhs

	Notes	For the year 2020-21	For the year 2019-20
INCOME			
Revenue from Operations	17	12,589.31	16,962.21
Other Income	18	2,053.94	1,713.99
Total Income		14,643.25	18,676.20
EXPENSES			
Construction Cost	19	945.57	2,196.74
(Increase)/Decrease in Inventories of Finished Goods and Work-in-Progress	20	(300.23)	(2,196.74)
Employee Benefits Expense	21	517.41	643.82
Finance Costs	22	8,790.83	8,247.42
Depreciation and Amortisation Expenses	23	1,416.88	1,631.28
Other Expenses	24	3,190.21	4,854.14
Total Expenses		14,560.67	15,376.66
Profit Before Tax		82.58	3,299.54
Tax Expense			
Current Tax		160.25	885.00
Deferred Tax	6.2	(98.66)	(1,560.66)
Income Tax of Earlier Years		-	25.47
		61.59	(650.19)
Profit for the Year (I)		20.99	3,949.73
Other Comprehensive Income:			
Items that will not be reclassified to profit or loss in subsequent periods:			
Re-measurement gains (losses) on defined benefit obligations		11.51	1.73
Income tax effect thereof		(3.35)	(0.61)
Net (loss) / gain on FVTOCI financial assets		-	-
Other comprehensive income/(loss) for the year, net of tax (II)		8.16	1.12
Total comprehensive income for the year, net of tax (I + II)		29.15	3,950.85
Earnings per Equity Share of ₹10 each	25		
Basic & Diluted		0.47	87.76
Significant accounting policies	1-3		
The accompanying notes are an integral part of the financial statements.			
As per our report on even date			

For AGRAWAL TONDON & CO.

Chartered Accountants

Firm Registration No : 329088E

Radhakrishnan Tondon

Partner

Membership No- 060534

Place: Kolkata

Dated: 23rd September, 2021

For South City Projects (Kolkata) Ltd.

Director

For and on behalf of Board of Directors

For South City Projects (Kolkata) Ltd.

Director

For South City Projects (Kolkata) Ltd.

Company Secretary



SOUTH CITY PROJECTS (KOLKATA) LIMITED
Statement of Standalone Changes in Equity for the year ended 31st March, 2021
a. Equity Share Capital:

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

As at 31st March 2020

Issue of share capital

At 31st March 2021

No. of shares	₹ in Lakhs
4,500,700	450.07
-	-
4,500,700	450.07

b. Other equity
For the year ended 31st March, 2021

Particulars	Reserves & Surplus			Items of OCI	Total Equity
	Securities Premium Account	Retained Earnings	General Reserve	Remeasurment of defined benefit obligation	
As at 1 April 2020	660.00	27,642.37	20,000.00	(16.23)	48,286.14
Profit for the year (a)	-	20.99	-	-	20.99
Other comprehensive income for the year (b)	-	-	-	8.16	8.16
Total Comprehensive Income for the year (a+b)	-	20.99	-	8.16	29.15
As at 31st March 2021	660.00	27,663.36	20,000.00	(8.07)	48,315.29

For the year ended 31st March, 2020

Particulars	Reserves & Surplus			Items of OCI	Total Equity
	Securities Premium Account	Retained Earnings	General Reserve	Remeasurment of defined benefit obligation	
As at 1 April 2019	660.00	23,692.64	20,000.00	(17.35)	44,335.30
Profit for the year (a)	-	3,949.73	-	-	3,949.73
Other comprehensive income for the year (b)	-	-	-	1.12	1.12
Total Comprehensive Income for the year (a+b)	-	3,949.73	-	1.12	3,950.85
As at 31 March 2020	660.00	27,642.37	20,000.00	(16.23)	48,286.14

As per our report on even date

For AGRAWAL TONDON & CO.

Chartered Accountants

Firm Registration No : 329088E

For South City Projects (Kolkata) Ltd.

For and on behalf of Board of Directors

For South City Projects (Kolkata) Ltd.
Radhakrishnan Tondon

Partner

Membership No- 060534

Place: Kolkata

Dated: 23rd September, 2021

Director
Director
For South City Projects (Kolkata) Ltd.
Company Secretary


SOUTH CITY PROJECTS (KOLKATA) LIMITED
Statement of Cash Flows for the year ended 31st March, 2021

Particulars	₹ in Lakhs	
	As at 31.03.2021	As at 31.03.2020
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	82.58	3,299.53
Adjustment to reconcile profit before tax to net cash flow		
Depreciation & Amortisation expense	1,416.88	1,631.28
Finance costs	8,790.83	8,247.73
Share Dematerialisation & STT Expenses	0.09	0.36
Sundry Balances Written Off	4.86	-
Dividend Received from non current investments	-	(9.00)
Profit on sale of non current investments	(317.15)	(60.12)
Profit/(Loss) on sale of Property, Plant & Equipment	-	4.14
Sundry Balances Written Back	(2.44)	(313.16)
Fair value (gain)/loss on financial assets	(21.60)	(111.55)
Interest Income	(1,383.92)	(535.14)
Operating profit before working capital changes	8,570.13	12,154.08
Adjustments for-		
Decrease/(Increase) in Working Capital		
Inventories	(325.85)	(2,511.21)
Trade Receivables	(98.69)	(425.19)
Trade Payables	(299.55)	330.35
Loans, Deposits and Other Financial Assets	(16,270.09)	(18,307.74)
Other Current and Non Current assets	(16.54)	287.08
Other Financial Liabilities	6,377.86	1,933.31
Provisions	(3.55)	(14.64)
Other Current and Non Current Liabilities	242.24	1,472.22
Cash generated in operations	(1,824.03)	(5,081.72)
Income Tax Paid (net of refund)	160.25	25.47
Net Cash inflow from Operating Activities	(1,984.28)	(5,107.19)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Dividend Received	-	9.00
Interest Received	1,383.92	2,748.92
Sale of Property, Plant & Equipment	-	4.14
Sale of Non current Investments	13,370.47	27,958.26
	14,754.40	30,720.32
Less : Purchase of Property, Plant & Equipment	116.93	696.09
Share Dematerialisation & STT Expenses	0.09	0.36
Net cash flow from Investing Activities	14,637.38	30,023.87
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Loan Taken/(Repaid)	6,889.36	(7,479.21)
Interest paid	(8,790.83)	(7,891.55)
Net cash flow from Financing Activities	(1,901.47)	(15,370.76)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	10,751.63	9,545.91
Cash and Cash Equivalents at the beginning of the year (Refer note-9.1)	11,786.05	2,240.14
Cash and Cash Equivalents at the end of the year (Refer note-9.1 & 9.2)	22,537.68	11,786.05

As per our report of even date

For AGRAWAL TONDON & CO.

Chartered Accountants

Firm Registration No- 329088E

For South City Projects (Kolkata) Ltd.

For South City Projects (Kolkata) Ltd.

Radhakrishnan Tondon

Partner

Membership No- 060534

Place: Kolkata

Dated: 23rd September, 2021

Director

Director



For South City Projects (Kolkata) Ltd.

Company Secretary

SOUTH CITY PROJECTS (KOLKATA) LIMITED
Statement of Cash Flows for the year ended 31st March, 2021 (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)

Particulars	₹ in Lakhs	
	As at 31.03.2021	As at 31.03.2020
Cash and Cash Equivalants comprises of		
Cash in hand	5.71	3.77
Balances with banks:		
– On current accounts	567.73	49.35
– Deposits with original maturity of less than three months	90.33	90.31
– Deposits with original maturity of more than three months	21,873.91	11,642.62
Cash and Cash Equivalants in Cash Flow Statement	22,537.68	11,786.05

(c) Amendment to Ind AS 7

The amendments to Ind As - 7 Cash Flow Statements requires the entities to provide disclosure that enable users of financial statements to evaluate changes in liabilities arising from financing activities including both changes arising from cash flows and non-cash changes suggesting inclusion of a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities to meet the disclosure requirement. This amendment has become effective from 01.04.2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendment.

Particulars	As at 31.03.2020	Cash Flow	Non - Cash Changes		As at 31.03.2021
			Fair Value Changes	Current/ Non - Current Classification	
Borrowings - Non Current	46,048.59	13,816.95	-	-	59,865.54
Other Financial Liabilities	4,874.20	6,930.51	-	-	11,804.71
Borrowings - Current	7,456.32	(2,946.98)	-	-	4,509.34

As per our report of even date

For AGRAWAL TONDON & CO.

Chartered Accountants

Firm Registration No : 329088E

For South City Projects (Kolkata) Ltd.

For South City Projects (Kolkata) Ltd.

Radhakrishnan Tondon

[Signature]

[Signature]

Director

Director

Radhakrishnan Tondon

Partner

Membership No- 060534

Place: Kolkata

Dated: 23rd September, 2021

For South City Projects (Kolkata) Ltd.

[Signature]
Company Secretary



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

1. Corporate Information

South City Projects (Kolkata) Limited (referred to as "the Company") is a public limited company established in 1995 under the Companies Act applicable in India. The Company is engaged in the business of real estate development and also provides rental services, maintenance services which are related to the overall development of real estate business. The Company is domiciled in India and has its registered office at 375, Prince Anwar Shah Road, Jadavpur, Kolkata – 700068.

2. Basis of Preparation of financial statements

a) Compliance with INDAS

The standalone 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.

The standalone financial statements were approved for issue in accordance with a resolution of the Board of directors on 23rd September, 2021.

b) Historical cost convention

The standalone 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.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

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 due to fair valuation is 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.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

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.

3.6. Property, Plant and Equipment

Property, plant and equipment and capital work in progress are carried at cost of acquisition, on current cost basis less accumulated depreciation and accumulated impairment, if any. Cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised. Depreciation is provided on written down value method over the useful lives of property, plant and equipment as estimated by management. Pursuant to Notification of Schedule II of the Companies Act, 2013 depreciation is provided on pro rata basis on written down value method at the rates determined based on estimated useful lives of property, plant and equipment where applicable. However, leasehold land is depreciated over lease period on straight line basis.

Asset	Useful Life
Building	60
Leasehold Land	73
Plant & Equipment	15
Electrical Installation & Equipment	10
Furniture & Fittings	10
Vehicles	8
Office Equipment	3-5
Fire Protection System	5



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.7. Intangible Assets

Intangible Assets are recognized only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life of three years. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and are charged to Statement of Profit and Loss for the year during which such expenditure is incurred.

3.8. Capital work-in-progress and intangible assets under development

Capital work-in-progress and intangible assets under development are carried at cost. Cost includes land, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

3.9. Investment Property

Management has assessed applicability of Ind AS 40 - Investment Property to the property held to earn income from rentals. In assessing such applicability, management has considered the ownership of assets, terms of license agreement, various services provided to the licensee etc. The Company considers these other services as significant in addition to the charged. Based on such assessment, the management has considered the mall property as owner occupied property and hence classified as Property, Plant & Equipment,

3.10 Treatment of Security Deposit for Lease Rentals

In assessing the applicability of Ind AS 32-Financial Instruments to security deposits received, the management has considered the substance of the transactions, terms and conditions of agreement and historical experience to conclude whether such security deposits meet the criteria of a financial liability. These deposits are primarily intended to secure compliance of the licensees' obligations under the agreement and have no bearing on the license fees charged. Further, there is no contractual obligation to deliver cash or other financial asset to the said entity and can be adjusted against the dues, if any and therefore these have been treated as non-financial liability

3.11 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

3.11. Inventories

Raw materials, Construction work-in-progress and finished goods are stated at the lower of cost and net realisable value. Cost of inventories comprise all cost of purchase including cost of land, borrowing cost, development costs and other cost incurred in bringing them to their present location and condition. The cost, in general, is determined using weighted average cost method.

Contract cost incurred related to future activity of the contract are recognised as an asset provided it is probable that they will be recovered during the contract period. Such costs represent the amount due from customer and are often classified as Construction work-in-progress.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.12. Revenue and Other Income

Revenue from contracts with customers

Revenue is measured at the fair value of the consideration received / receivable, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government and is net of rebates and discount.

Revenue is recognised in the Statement of Profit & Loss to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

The Company has applied five-step model as per Ind AS 115 "Revenue from contracts with customers" to recognise revenue in the standalone financial statements.

Revenue from Operating Lease

Income from properties is accounted for on a straight line basis over the lease term. Contingent rental income is recognised as income in the period in which it is earned. If not received at balance date, revenue is reflected on the balance sheet as a receivable and carried at its recoverable amount.

Revenue from Maintenance Services

Revenue is recognised on satisfaction of performance obligation at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring services to a customer.

Revenue from Real Estate

In case of Real Estate Sales where Agreement of Sale is executed for under constructed properties, revenue in respect of individual contracts is recognised when performance on the contract is considered to be completed and it is probable that the economic benefits will flow to the Company.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Disaggregation of Revenue

Note 17 presents disaggregated revenues from contracts with customers for the year 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.

3.13. Employee Benefits

I. Defined Contribution Plan

Provident Fund

Contributions in respect of all Employees are made to the Regional Provident Fund as per the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and are charged to the Statement of Profit and Loss as and when services are rendered by employees. The Company has no obligation other than the contribution payable to the Regional Provident fund.

II. Defined Benefit Plan

Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Current Service cost and Interest component on the Company's defined benefit plan is included in employee benefits expense. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

III. Long Term Compensated Absences

The Company treats accumulated leave to the extent such leave are carried forward as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Current Service cost and Interest component arising out of such valuation is included in employee benefits expense. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

3.14. Leases

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



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Interest-bearing loans and borrowings

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of Land & building (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same.

3.15. 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 re-assessed 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.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

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.

3.16. 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.

3.17. 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.

3.18. Earnings per Share

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

3.19. 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.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

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



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

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 group does not reduce impairment allowance from the gross carrying amount.*

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



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

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.

Trade receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as either a receivable or as Contract Asset. A receivable is a right to consideration that is unconditional upon passage of time. Revenue are recognized as related service are performed. Revenues in excess of billings is recorded as Contract Asset and is classified as a financial asset for the cases as right to consideration is unconditional upon passage of time. As per assessment of contracts, the right to receive the payment is established once the services are performed.

A contract liability is the company's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes to Standalone Financial Statements as at and for the year ended 31st March, 2021

The Balances for the same during 01.04.2019 and 31.03.2020 are in Note No: 5.2 and 15

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

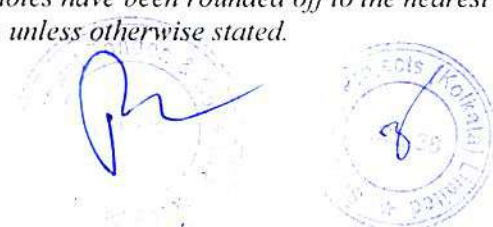
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.20. Operating Segments

The Business process and Risk Management Committee of the Company, approved by the Board of Directors and Audit Committee performs the function of allotment of resources and assessment of performance of the Company. Considering the level of activities performed, frequency of their meetings and level of finality of their decisions, the Company has identified that Chief Operating Decision Maker function is being performed by the Business process and Risk Management Committee. The financial information presented to the Business process and Risk Management Committee in the context of results and for the purposes of approving the annual operating plan is on a consolidated basis. The Company's business activity falls within three reportable business segment viz. 'Real estate projects development', 'rental activities' and 'others - unallocated'. The sales being operated wholly in the domestic market, the financial statement are reflective of the information required by Ind AS 108 "Operating Segments".

3.21. Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Act, unless otherwise stated.



The block contains a handwritten signature in blue ink and a circular blue ink stamp. The stamp is the official seal of South City Projects (Kolkata) Limited, featuring the company name around the perimeter and a central emblem.

SOUTH CITY PROJECTS (KOLKATA) LIMITED
Notes on Standalone Financial Statements as at and for the year ended 31st March 2021

Note 4.1 - Property, Plant and Equipment (Current Year)

Particulars	Gross Block at Cost			Depreciation / Amortisation			Net Block As at 31-03-2021
	As at 01-04-2020	Additions	Disposals / Adjustments	As at 01-04-2020	For the year	Disposals / Adjustments	
Buildings							
Operating Lease	19,606.55	48.58	-	2,608.06	876.82	3,484.88	16,170.25
Others	13.20	-	-	2.57	0.52	3.09	10.11
Plant & Equipments	2,335.19	41.02	9.45	1,258.23	226.41	1,478.11	888.65
Fire Protection System	186.09	-	-	97.78	30.32	128.10	57.99
Electrical Installation & Equipments	938.99	-	-	477.53	95.48	573.01	365.98
Furniture and Fixtures	702.02	1.53	1.88	261.54	110.77	370.77	330.90
Vehicles							
Finance Lease	31.50	-	-	20.12	3.55	23.67	7.83
Others	23.89	-	-	14.06	2.73	16.79	7.10
Office Equipment	344.87	2.15	1.35	224.43	51.87	275.06	70.61
TOTAL	24,182.30	93.28	12.68	4,964.32	1,398.47	6,353.48	17,909.42

Note 4.2 - Capital Work in Progress

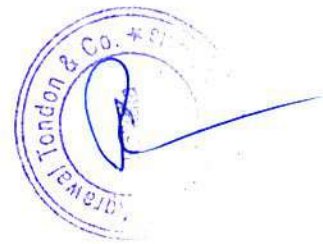
Particulars	Gross Block at Cost	
	As at 01-04-2020	As at 31-03-2021
South City Mall Extension	1.88	30.02
TOTAL	1.88	30.02

Note 4.3 - Right to use of Assets

Particulars	Gross Block at Cost			Depreciation / Amortisation			Net Block As at 31-03-2021
	As at 01-04-2020	Additions	Disposals / Adjustments	As at 01-04-2020	For the year	Disposals / Adjustments	
Land	936.74	-	-	14.91	14.91	29.82	906.92
TOTAL	936.74	-	-	14.91	14.91	29.82	906.92

Note 4.4 - Intangible Assets

Particulars	Gross Block at Cost			Depreciation / Amortisation			Net Block As at 31-03-2021
	As at 01-04-2020	Additions	Disposals / Adjustments	As at 01-04-2020	For the year	Disposals / Adjustments	
Computer Software	27.11	-	1.39	16.81	3.50	20.03	5.69
TOTAL	27.11	-	1.39	16.81	3.50	20.03	5.69



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Financial Statements as at and for the year ended 31st March '2021

Note 4.1 - Property, Plant and Equipment (Previous Year)

Particulars	Gross Block at Cost			Depreciation / Amortisation		Net Block	
	As at 01-04-2019	Additions*	Disposals / Adjustments	As at 01-04-2019	For the year	Upto 31-03-2020	As at 31-03-2020
Leasehold Land	981.09	-	981.09	44.70	-	-	936.39
Buildings							
Operating Lease	18,980.06	626.48	-	1,711.87	896.19	2,608.06	16,998.48
Others	13.20	-	-	2.01	0.54	2.55	10.65
Plant & Equipments							
Fire Protection System	2,329.62	21.58	16.00	981.99	283.87	1,258.24	1,076.96
Electrical Installation & Equipments	175.08	11.02	-	47.32	50.47	97.79	88.31
Furniture and fixtures	938.99	-	-	347.07	130.46	477.53	461.46
Vehicles	673.49	28.53	-	110.79	150.75	261.54	440.48
Finance Lease	31.85	-	0.35	15.30	5.17	20.12	11.38
Others	26.00	-	2.11	12.20	3.97	14.06	9.83
Office Equipment	342.95	1.91	-	130.24	94.19	224.43	120.43
TOTAL	24,492.33	689.52	999.55	3,403.49	1,615.61	4,964.32	19,217.98

* Additions includes Rs.626.48 lacs (towards South City Mall Extension)

Note 4.2 - Capital Work in Progress

Particulars	Gross Block at Cost	
	As at 01-04-2019	As at 31-03-2020
South City Mall Extension	4.94	623.42
TOTAL	4.94	626.48

Note 4.3 - Right to use of Assets

Particulars	Gross Block at Cost			Depreciation / Amortisation		Net Block	
	On transition to IND 116 as on 01-04-2019	Additions	Disposals / Adjustments	On transition to IND 116 as on 01-04-2019	For the year	Upto 31-03-2020	As at 31-03-2020
Land	936.39	0.35	-	-	14.91	14.91	921.83
TOTAL	936.39	0.35	-	-	14.91	14.91	936.39

Note 4.4 - Intangible Assets

Particulars	Gross Block at Cost			Depreciation / Amortisation		Net Block	
	As at 01-04-2019	Additions	Disposals / Adjustments	As at 01-04-2019	For the year	Upto 31-03-2020	As at 31-03-2020
Computer Software	17.73	9.38	-	16.05	0.76	16.81	10.30
TOTAL	17.73	9.38	-	16.05	0.76	16.81	10.30



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 5.1 - Financial Assets - Investments

		Number of Shares/Units		₹ in Lakhs	
	Nominal Value per unit	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Investments (Fully Paid)					
At Deemed Cost:					
<i>Investment in Preference Shares - Unquoted</i>					
In Subsidiary Companies -					
AA Infra Properties Pvt. Ltd.	10	1,750,000	1,750,000	1,392.05	1,392.05
				1,392.05	1,392.05
At Deemed Cost					
<i>Investment in Equity shares-Unquoted</i>					
In Subsidiary Companies					
South City Retreat Property Management Pvt Ltd	10	1,000	1,000	0.10	0.10
South City Property Management Private Ltd.	10	10,200	10,200	1.02	1.02
South City Matrix Infrastructure Ltd.	10	199,300	199,300	29.39	29.39
AA Infra Properties Pvt. Ltd.	10	358,750	358,750	35.88	35.88
South City International School	10	15,300	15,300	1.53	1.53
South City Developers Pvt Ltd	10	10,000	10,000	1.00	1.00
South City Projects FZE	150,000	1	1	-	-
Equity Component of Preference Shares in AA Infraproperties Pvt Ltd (Refer Note 44)				1,232.95	1,232.95
Bengal Anmol South City Infrastructure Ltd. **	10	139,300	139,300	26.71	26.71
			Total	1,328.58	1,328.58
In Others					
Bengal Electric Works Ltd. #	30	1,500	1,500	-	-
Bengal Lamp Ltd. #	10	17,833	17,833	-	-
Berlex India Ltd. #	10	1,999	1,999	-	-
			Total	-	-
# The shares are pending transfer in Company's name.					
** 15400 Shares acquired during the F/Y 2018-19 are pending transferred in Company's name.					
Investment in Partnership Firm					
South City Anmol Infra Park LLP ##				138.00	-
				138.00	-
At Fair Value through Profit & Loss:					
<i>In Units of Mutual Fund - Quoted **</i>					
Aditya Birla Sun Life Credit Risk Fund - (G)	10	-	21,681,260	-	-
HDFC Credit Risk Debt Fund - Regular Plan (G)	10	-	5,921,496	-	985.70
ICICI Prudential Medium Term Bond Fund - (G)	10	-	8,340,000	-	2,611.92
ICICI Prudential Credit Risk Fund - (G)	10	-	16,416,649	-	3,570.26
Kotak Credit Risk Fund - (G) (Regular Plan)	10	-	10,245,202	371.35	2,248.88
L&T Banking and PSU Debt Fund - (G)	10	-	6,017,499	-	1,082.22
L&T Credit Risk Fund (G)	10	-	4,972,030	-	1,075.62
Nippon India Strategic Debt Fund - (D)(G)	10	-	10,483,436	-	1,162.02
Nippon India Strategic Debt Fund - (G)	10	-	16,100,000	-	-
Nippon India Strategic Debt Fund - (G)	10	-	7,637,319	-	804.44
			Total	371.35	13,541.07
** Represents securities pledged with Banks as security against Loans					
Total Non Current Investments				3,229.98	16,261.70
Aggregate amount of Quoted Investments				371.35	13,541.07
Aggregate amount of Unquoted Investments				2,720.63	2,720.63
##South City Anmol Infra Park LLP					
Total Capital (Rs. in Lakhs)				200.00	-
Other Partners					
Monarch Selter Pvt Ltd				-	-
Bantala Properties Pvt. Ltd.				-	-
Share of each Partner					
South City Projects (Kolkata) Ltd.				69.00%	-
Monarch Selter Pvt Ltd				30.00%	-
Bantala Properties Pvt. Ltd.				1.00%	-



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 5.2 - Trade Receivables

(Unsecured)

₹ in Lakhs

	Non-Current		Current	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Considered good	562.53	387.26	1343.40	1419.97
	562.53	387.26	1,343.40	1,419.97

Note 5.3 - Loans

(Unsecured considered good unless otherwise stated)

	Non-Current		Current	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Security deposits	143.30	143.30	-	-
Loans to related party (Refer Note 33) *				
Subsidiary Companies				
-Considered Good	706.74	1,274.18	64,613.00	49,272.00
-Considered Doubtful	1,355.95	1,295.48	-	-
Less: Provision for Doubtful Advances	<u>1,355.95</u>	<u>1,295.48</u>	-	-
Other Related Parties			2,482.88	2,316.84
Other Loans			487.00	895.20
Total Loans	850.04	1,417.48	67,582.88	52,484.04

Loans are non- derivative financial assets which generate a fixed or variable interest income for the company. The carrying value may be effected by changes in the credit risk of the counter parties.

* Loans & Advances to Related Parties pertain to:

Subsidiary Companies (Considered Good) :

Bengal Anmol South City Infrastructure Ltd.	706.74	894.67	-	-
South City International School	-	379.51	-	-
AA Infraproperties Pvt. Ltd.	-	-	64,613.00	49,272.00

Subsidiary Companies (Considered Doubtful) :

South City Projects FZE	679.81	679.81	-	-
Bengal Anmol South City Infrastructure Ltd.	676.14	615.68	-	-

Other Related Parties

Khetawat Properties Ltd	-	-	50.00	100.00
South City Anmol Infra Park LLP	-	-	2,432.88	2,216.84



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 5.4 - Other Financial Assets

₹ in Lakhs

	Non-Current		Current	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Interest Receivables	1,038.91	105.97	259.25	367.64
Receivable from related parties	1,205.06	1,204.36	753.87	320.25
Total Other Financial Assets	2,243.97	1,310.33	1,013.12	687.89

* Advances to Related Parties pertain to:

Joint Venture Companies (Considered Good) :

Kolkata Metropolitan South City Development Ltd.	1,205.06	1,204.36	-	-
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Subsidiary Companies (Considered Good) :

AA Infraproperties Pvt Ltd.	-	-	-	24.14
South City Retreat Property Management Pvt Ltd	-	-	1.84	1.47
Indocean Developers Pvt. Ltd.	-	-	750.07	292.74
South City Developers Pvt Ltd	-	-	1.96	1.90

Considered Doubtful :

Indocean Developers Pvt. Ltd.			390.86	390.86
Less: Provision			390.86	390.86
			-	-



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 6.1 - Current Tax Assets (Net)

	₹ in Lakhs	
	Balance Sheet	
	As at 31.03.2021	As at 31.03.2020
Current Tax Assets	4,336.13	4,309.87
Less : Current Tax Liabilities	2,913.23	3,366.78
Total	1,422.90	943.09

Note 6.2 - Deferred Tax Assets & Liabilities (Net)

Nature - (liability) / asset	As at 31.03.2021	As at 31.03.2020
Deferred Tax Liabilities		
Fair valuation of Mutual funds	5.03	25.99
Total (A)	5.03	25.99
Deferred Tax Assets		
Arising out of temporary differences in depreciable assets	16.08	13.61
On expenses allowable against taxable income in future years		
- Provision for Gratuity	45.61	47.69
- Provision for Leave Encashment	35.18	34.14
- Municipal Tax	286.28	210.01
- Others through OCI	3.11	6.46
Total (B)	386.26	311.91
Net Deferred Tax (Liabilities)/Assets (B-A)	381.23	285.92



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 7 - Other Assets

	Non-Current		Current	
	As at	As at	As at	As at
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Capital Advances	237.40	205.30	-	-
Advances other than capital advances				
Advances for Projects, Expenses etc.	-	-	797.61	473.24
Joint Development Agreement	5,904.88	5,915.15	-	-
Balance with Government Authorities	-	-	825.83	496.58
Prepaid Expenses	1,185.51	1,601.92	389.24	425.22
Other Advances	-	-	85.12	291.64
Total Other Assets	7,327.79	7,722.37	2,097.80	1,686.68

Note 8 - Inventories

(Lower of cost or net realisable value)

	As at 31.03.2021	As at 31.03.2020
Raw Materials & Consumables	552.83	527.21
Construction Work - in - progress		
Land	1,872.48	1,872.48
Others	9,246.82	11,119.30
Finished Goods	10,504.69	11,150.04
Total inventories	22,176.82	21,850.97

Note 9.1 - Cash and Cash Equivalents

	Current	
	As at 31.03.2021	As at 31.03.2020
Balances with banks:		
- In Current accounts	567.73	49.35
Cash on hand	5.71	3.77
Term Deposits with original maturity of less than three months *	90.33	90.31
Total Cash and Cash Equivalents	663.77	143.43

Note 9.2 - Other Bank Balances

	Non-Current		Current	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Term Deposits with maturity of more than three months but less than twelve months *	-	-	37.65	4,062.62
Term Deposits with maturity of more than twelve months *	21,836.26	7,580.00	-	-
Total Other Bank Balances	21,836.26	7,580.00	37.65	4,062.62

* Represents Fixed Deposits pledged with banks as security against loans



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note - 10 - Equity Share Capital

	As at 31.03.2021	₹ in Lakhs As at 31.03.2020
Authorised Capital		
50,00,000 Equity Shares of Rs. 10 each	500.00	500.00
Issued, Subscribed and Paid-up Capital		
45,00,700 Equity Shares of Rs. 10 each fully paid up in cash	450.07	450.07
Total Equity Share Capital	450.07	450.07

a) The Reconciliation of Share Capital is given below:

	As at 31.03.2021		As at 31.03.2020	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
At the beginning of the year	4,500,700	450.07	4,500,700	450.07
Issued during the Year	-	-	-	-
At the end of the year	4,500,700	450.07	4,500,700	450.07

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. 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 31.03.2021		As at 31.03.2020	
	No. of Shares	% holding	No. of Shares	% holding
Shrachi Developers Pvt Ltd	450,071	10.00%	450,071	10.00%
Park Chambers Ltd	425,105	9.45%	425,105	9.45%
Merlin Projects Ltd	390,955	8.69%	390,955	8.69%
Jugal Kishore Khetawat	386,334	8.58%	386,334	8.58%
Jugal Kishore Khetawat -Trustee of Khetawat Family Welfare	326,335	7.25%	326,335	7.25%
Vinayak Dealers (P) Ltd	292,000	6.49%	292,000	6.49%
Pan Emami Cosmed Ltd	254,225	5.65%	254,225	5.65%

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



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note - 11 - Other equity

	As at 31.03.2021	₹ in Lakhs As at 31.03.2020
Reserves & Surplus		
Securities Premium Account	660.00	660.00
Retained earnings	27,663.36	27,642.37
General Reserve	20,000.00	20,000.00
Other Comprehensive Income		
- FVTOCI reserve (net of tax)	(8.07)	(16.23)
Total other equity	48,315.29	48,286.14

Securities Premium Account- Premium received on equity shares issued are recognised in the securities premium account.

General Reserve - Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations, to ensure that if a dividend distribution in a given year is more than 10% of the paid capital of the Company for that year, the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

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.

FVTOCI Reserve - Net gain/(loss) on remeasurement of defined benefit liability comprising of actuarial gain and losses.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

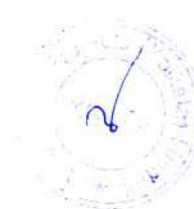
Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 12.1 - Borrowings

₹ in Lakhs

	As at 31.03.2021	As at 31.03.2020
Non-Current Borrowings (Financial Liability)		
Secured		
Term Loans from Banks (A)	59,865.54	46,048.59
Finance Lease Obligations (C)	3.10	6.49
Loan from NBFC (E)	-	8,192.29
Total Non Current Borrowings	59,868.64	54,247.37
Current Borrowings (Financial Liability)		
Current Borrowing		
Secured		
Bank Overdraft	4,509.34	7,456.32
	4,509.34	7,456.32
Unsecured		
From Body Corporates	10,566.32	6,450.00
From Directors	98.75	-
	10,665.07	6,450.00
Total Current Borrowings	15,174.41	13,906.32
Current maturities of long-term borrowings from Bank (B)	3,352.99	1,454.20
Current maturities of finance lease obligations (D)	3.39	5.27
Current maturities of long-term borrowings from NBFC (F)	8,451.73	3,420.00
Total Borrowing included in Other Financial Liabilities *	11,808.10	4,879.47
 Aggregate of Term Loan from Bank (A + B)	 63,218.53	 47,502.79
Aggregate of Term Loan from NBFC (E+F)	8,451.73	11,612.29
Aggregate of Financial Lease Obligation (C + D)	6.49	11.76

* Refer Note 12.2



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Terms & Conditions

Bank from whom Loan is availed	Current Portion of Loan as on 31.03.2021	Current Portion of Loan as on 31.03.2020	Non Current Portion of Loan as on 31.03.2021	Non Current Portion of Loan as on 31.03.2020	Interest (p.a. basis)	Installment Amount	Security Provided to avail Loan
₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs		₹ in Lacs	
(a) Term Loans From Banks							
Kotak Bank	333.42	468.32	4,426.34	3,251.70	6M KMCLR	72 equal monthly installment of 78.92 (inclusive of interest amount)	1) Ground Floor to 13th floor of South City "Pinnacle" situated at Plot No. XI-1, Block EP, Sector V, Salt Lake, Kolkata - 700 091. 1) First Pari-passu charge over entire Property assets including the Property land, buildings and any other moveable and immoveable assets of the Property with a minimum security cover of 1.50x 2) First Pari Passu charge over Property Collections generated from the Property which will be deposited in the Designated Bank Account. 3) Charge over bank accounts of the Borrower including Designated Bank Account, Current Account and ISRA Account.
Axis Bank	1,913.76	770.12	31,561.18	32,110.94	1Y MCLR + 0.35%	132 structured monthly installment	1) First pari passu charge by way of Equitable Mortgage over the property, to be shared only with the SBI/CITL facilities already availed from Axis Bank Ltd. 2) First pari passu charge over the cash flows of the Mall.
Standard Chartered Bank	1,105.81	215.75	23,878.02	10,685.95	6M MCLR	132 structured monthly installment	
TOTAL (a)	3,352.99	1,454.19	59,865.54	46,048.59			
(B) Loans From NBFC							
Axis Finance		3,420.00	8,451.73	8,192.29		11 structured quarterly installment within Jun'2023	1) Entire land at measuring 2.5 acre along with constructie Business Park having salable area of 281589 sq.ft. 2) First & exclusive charge of hypothecation of the receivable / cash flow from Business Park forming part of security. 3) First & exclusive charge on escow a/c of the project.
(C) Finance Lease Obligations							
HDFC Bank	2.03	4.01	1.64	3.67	9.45%	0.44	Hypothecation of Creta & Polo Vehicle.
Toyota Financial	1.36	1.26	1.46	2.82	7.50%	0.13	Hypothecation of Erios Vehicle.
TOTAL (b)	3.39	5.27	3.10	6.49			



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 12.2 - Other Financial Liabilities

	Non-Current		Current	
	As at	As at	As at	As at
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Retention Money	-	-	374.04	479.84
Current maturities of long-term borrowings	-	-	11,804.71	4,874.20
Current maturities of finance lease obligations	-	-	3.39	5.27
Interest accrued but not due on borrowings	-	-	0.03	730.91
Interest accrued and due on borrowings	-	-	35.37	96.81
Lease Liability	0.35	0.31	-	-
Others	-	-	580.28	232.93
Total Other Financial Liabilities	0.35	0.31	12,797.82	6,419.96

Note 13 - Provisions

	Non-Current		Current	
	As at	As at	As at	As at
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Provision for employee benefits				
- Provision for gratuity (Refer Note 30)	134.12	142.19	33.17	43.76
- Provision for leave encashment (Refer Note 30)	98.31	96.59	22.51	20.64
	232.43	238.77	55.68	64.40

Note 14. Trade Payables

	As at	As at
	31.03.2021	31.03.2020
Trade Payables		
- Total outstanding dues of Micro & Small Enterprises (See Note below)	-	21.95
- Total outstanding dues of creditors other than Micro & Small Enterprises	3,594.72	3,869.90
	3,594.72	3,891.85

Note: There are no Micro, Small and Medium Enterprises, to whom the company owes dues which are outstanding for more than 45 days during the year. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 as been determined to the extent such parties have been identified on the basis of information available with the company.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 15. Other Liabilities

	Non-Current		Current	
	As at	As at	As at	As at
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Security Deposits Received	6,771.93	6,904.67	163.94	170.26
Contract Liability	-	-	2,629.91	2,450.89
Others:				
Statutory dues	-	-	1,566.99	1,364.74
Total other current Liabilities	6,771.93	6,904.67	4,360.84	3,985.89



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 16.1 - Financial Assets

₹ in Lakhs

	As at 31.03.2021	As at 31.03.2020
Financial Assets - Non Current		
<u>At Amortised Cost</u>		
(a) Trade Receivable	562.53	387.26
(b) Loans	850.04	1,417.98
(c) Other financial assets	2,243.97	1,310.33
(d) Other Bank Balances	21,836.26	7,580.00
	25,492.80	10,695.57
<u>At Deemed Costs</u>		
Investments	2,858.63	2,720.63
<u>At Fair Value through profit or loss</u>		
Investments	371.35	13,541.07
Total Non Current Financial Assets (a)	28,722.78	26,957.27
Financial Assets - Current		
<u>At Amortised cost</u>		
(a) Trade Receivables	1,343.40	1,419.97
(b) Cash and Cash Equivalents	663.77	143.43
(c) Bank Balances other than (b) above	37.65	4,062.62
(d) Loans	67,582.88	52,484.04
(e) Other Financial Assets	1,013.12	687.39
Total Current Financial Assets (b)	70,640.82	58,797.45
Total Financial Assets (a + b)	99,363.60	85,754.72

Note 16.2 - Financial Liabilities

	As at 31.03.2021	As at 31.03.2020
Financial Liabilities - Non Current		
<u>At Amortised Cost</u>		
(a) Borrowings	59,868.64	54,247.37
(b) Other Financial Liabilities	0.35	0.31
Total Non Current Financial Liabilities (a)	59,868.99	54,247.68
Financial Liabilities - Current		
<u>At Amortised Cost</u>		
(a) Borrowings	15,174.41	13,906.32
(b) Trade payables	3,594.72	3,891.85
(c) Other Financial Liabilities	12,797.82	6,419.96
Total Current Financial Liabilities (b)	31,566.96	24,218.13
Total Financial Liabilities (a + b)	91,435.95	78,465.81



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 17 - Revenue from Operations

	2020-21	₹ in Lakhs 2019-20
Sale of Products		
Revenue from Land & Constructed Properties	1,327.10	6.00
Sale of Services		
Rental Income	8,679.68	13,804.46
Maintenance Services	2,562.66	3,095.63
Other Operating Revenue		
Others	19.87	56.12
Total	12,589.31	16,962.21

Note 18 - Other Income

	2020-21	₹ in Lakhs 2019-20
Income form Financial Assets		
Interest Income		
From Loans **	147.58	305.69
From Deposits	1,236.34	229.44
Dividend Income on Investments *	-	9.00
Other Non Operating Income		
Interest Income		
From Customers	2.02	4.79
From Others	-	7.26
Net Gain on Sale of Investments	317.15	60.12
Fair Value Change of Investments measured at FVTPL	21.60	111.55
Guarantee Commission (From Subsidiary Company)	-	377.11
Interest - Others	-	14.67
Profit on disposal of intangible asset	0.28	-
Sundry Balances Written Back	2.44	353.82
Miscellaneous Income	326.53	240.54
Total	2,053.94	1,713.99

Note 19 - Construction Cost

	2020-21	₹ in Lakhs 2019-20
Salaries, Wages & Bonus	80.92	109.55
Contribution to Provident & Other Funds	3.69	4.15
Staff Welfare Expenses	0.11	0.15
Power & Fuel	17.76	53.32
Repairs		
Others	1.76	4.70
Insurance	5.14	6.82
Rates & Taxes	0.88	131.82
Land	-	31.79
Materials Consumed	437.99	301.02
Construction Expenses	343.51	1,210.06
Other Operating Expenses	53.81	202.69
Consultancy & Retainership Charges	-	140.35
Finance Costs	-	0.32
Total	945.57	2,196.74

* From Subsidiary Company Nil (P.Y. Rs. 8.75 lakhs)

** From Related Parties Rs. 12.60 lacs (P.Y. Rs. 60.64 lakhs)



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SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 20 - (Increase)/Decrease in Inventories of Finished Goods and Construction Work-in-Process

	2020-21		2019-20	
			₹ in Lakhs	
Closing Stock				
Finished Goods		10,504.69		11,150.04
Construction Work -in-progress				
Land	1,872.48		1,872.48	
Others	9,246.82	11,119.30	8,301.24	10,173.72
Total (A)		21,623.99		21,323.76
Opening Stock				
Finished Goods		11,150.04		96.78
Construction Work -in-progress				
Land	1,872.48		4,592.56	
Others	8,301.24	10,173.72	14,437.68	19,030.24
Total (B)		21,323.76		19,127.02
Total (A - B)		(300.23)		(2,196.74)



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 21 - Employee Benefit & Expense

₹ in Lakhs

	2020-21	2019-20
Salaries and Wages	478.28	601.96
Contribution to Provident and Other Funds (Refer Note 30)	30.24	33.12
Staff Welfare Expenses	8.89	8.74
Total	517.41	643.82

Note 22 - Finance Costs

₹ in Lakhs

	2020-21	2019-20
Interest Expense	8,256.80	7,619.31
Processing Fee & Other charges	534.03	628.11
Total	8,790.83	8,247.42

Note 23 - Depreciation and Amortisation Expense

₹ in Lakhs

	2020-21	2019-20
Depreciation of Property Plant & Equipment (Note 4)	1,413.38	1,615.61
Amortisation of Intangible Assets (Note 4)	3.50	15.67
Total	1,416.88	1,631.28

Note 24 - Other Expenses

₹ in Lakhs

	2020-21	2019-20
Power & Fuel	750.58	1,155.74
Repairs:		
- Building	0.08	161.55
- Others	9.47	45.92
Maintenance	276.23	300.23
House Keeping Charges	231.57	254.34
Security Charges	193.03	227.77
Insurance	74.27	58.46
Rates & Taxes	994.71	911.99
Legal & Professional fees	454.14	291.30
Director's Remuneration	-	33.00
Corporate Social Responsibility Expenses	32.29	47.15
Loss on Sale/Discard of Property, Plant & Equipment	3.35	4.14
Share of Loss as partner in South City Anmol Infra Park LLP	0.02	-
Provision for expected credit loss	-	390.86
Provision for doubtful advances	60.47	615.79
Miscellaneous Expenses	109.99	355.89
Total	3,190.21	4,854.14



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 25 - Auditor's Remuneration

	2020-21	₹ in Lakhs 2019-20
As Auditor:		
Audit fees	4.50	4.50
Tax audit fee	0.50	0.50
Other Matters	0.31	0.05
Total	5.31	5.05

Note 26 - Details of CSR expenditure:

	2020-21	₹ in Lakhs 2019-20
(a) Gross amount required to be spent by the company during the year	88.40	117.95
(b) Amount spent during the year:	32.29	47.15
Net unspent	56.11	70.80

Note 27 - 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:

	2020-21	₹ in Lakhs 2019-20
Net Profit for calculation of Basic and Diluted Earnings Per Share (in Lakhs)	20.99	3,949.73
Weighted average number of shares (Nos.)	4,500,700	4,500,700
Earning per equity share		
Basic & Diluted earning per share (in Rs.)	0.47	87.76



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 28 - 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.

Defined Employer Benefit plans

The cost and the present value of the defined benefit gratuity plan and other post-employment leave encashment benefit are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These include the determination of appropriate discount rate, estimating future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. For further details refer Note 30.

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.

Depreciation on Property, Plant and Equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

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.

Classification of leases

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.



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SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 29 - Information on Joint Venture EntitiesDescription of Company's interest in the Joint Venture Company

Name of the entity	As at 31.03.2021		As at 31.03.2020	
	Proportion of Interest	Country of Incorporation	Proportion of Interest	Country of Incorporation
Kolkata Metropolitan South City Development Ltd.	49.97%	India	49.97%	India

1. The Company's interests in Joint Ventures are reported as Financial assets - Investments.

2. KMDA by way of advertisement dated 18/12/2006 in various newspapers had invited bids for development of residential cum commercial projects. South City & Merlin were willing to participate in the bidding process and therefore formed a consortium which was termed as "South City Merlin Consortium". Subsequent to the acceptance of the consortium's bids, MOU dated 17/12/2007 was executed by which 4.40 acres land (the Said Land) was allotted in favour of Consortium by the KMDA. The Consortium as consideration paid an amount of Rs. 11.41 crore to the KMDA and MOU was entered into, as aforesaid.

As the entire project was to be carried out on a joint venture basis, a new company was floated in the name and style of M/s. Kolkata Metropolitan South City Development Ltd. (KMSCDL) with authorised share capital of Rs. 100.00 Lacs. The Consortium had agreed to subscribe 4,99,700 Equity Shares of Rs. 10/- each aggregating to Rs. 49.97 Lacs by signing the Memorandum of Association of aforesaid KMSCDL. However, due to encroachment within the said land, KMDA couldn't able to handover the said land to the Consortium and accordingly the matter was turned into litigation for non - handing over of land and also for refund of money.. Further to be noted that a Supplemental MOU dated 16/11/2011 was executed where in total area of land was revised to 3.67 Acres.

In spite of repeated requests and reminders, KMDA did not handover the said land. The Consortium subsequently requested for refund of sum paid to KMDA together with interest as well as reimbursement of expenses incurred. On the failure of KMDA, the consortium invoked the Arbitration Clause contained in the said MOU for adjudicating the disputes. Finally, in terms of the section 11 of Arbitration and Conciliation Act, 1996, Mr. Jayanta Kumar Mitra was appointed as Sole Arbitrator.

The said Arbitration proceeding has now been completed and the Ld. Sole Arbitrator has also given the Award on 22/06/2020, subsequently modified on 14.08.2020. In terms of the said award, KMDA has been directed to pay (i) the principal sum of Rs. 11.41 crores, (ii) Interest on the said Principal sum @15% per annum from 17/12/2007 to till date of Rs. 21.25 crores, (iii) Rs. 62.33 lacs towards damages by way of expenses incurred by the Consortium towards preliminary and other expenses and (iv) Rs. 22.43 lacs towards interest on Rs. 62.33 lacs and (v) Rs. 100 for damage on prayer (c) of the Statement of Claim and (vi) Costs of the proceedings of Rs. 45,00,000. However, the claim of damages of the Consortium has not been allowed.

Being aggrieved with the said Award, KMDA has moved before the Hon'ble High Court to quash the said Award. The Consortium has also filed an application before the Hon'ble High Court against the said award for not allowing damages. Hence, the matter is now pending before the Hon'ble High Court.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 30 - Employee Benefits Obligation
(I) Defined Benefit Plans

The following table summarizes the components of net benefit expense recognised in the Statement of Profit and loss and OCI and amounts recognised in the Balance Sheet.

Particulars	2020-21		2019-20	
	Gratuity Unfunded	Leave Encashment Unfunded	Gratuity Unfunded	Leave Encashment Unfunded
Changes in the present value of Defined Benefit Obligation:				
Present value of Defined Benefit Obligation at the beginning of the period	185.94	117.22	174.61	144.94
Current Service Cost	11.89	12.27	14.85	12.20
Interest Cost	12.27	7.74	13.10	10.87
Past Service Cost	-	-	-	-
Remeasurements (or Actuarial (gains)/losses) arising from :				
- Changes in demographic assumptions	-	-	(0.07)	0.01
- Changes in financial assumptions	(1.41)	(1.09)	12.70	8.92
- Experience variance (i.e. Actual experience vs. assumptions)	(10.10)	9.95	(14.37)	5.92
- Others	-	-	-	-
Benefits Paid	(31.30)	(25.28)	(14.87)	(65.64)
Present value of Defined Benefit Obligation at the end of the period	167.30	120.81	185.94	117.22
Amounts Recognised in the Balance Sheet :				
Present value of defined benefit obligation at the year end	167.30	120.81	185.94	117.22
Fair Value of the Plan Assets at the year end	-	-	-	-
Liability/(Asset) Recognised in the Balance Sheet	167.30	120.81	185.94	117.22
Expense recognised in the Statement of Profit and Loss:				
Current Service Cost	11.89	12.27	14.85	12.20
Past Service Cost	-	-	-	-
Remeasurements (or Actuarial (gains)/losses) arising from :				
- Changes in financial assumptions	(1.41)	(1.09)	-	8.92
- Experience variance (i.e. Actual experience vs. assumptions)	(10.10)	9.95	-	5.92
Net Interest Cost/(Income)	12.27	7.74	13.10	10.87
Net Cost Recognised in the Statement of Profit and Loss	12.66	28.87	27.95	37.91
Expense recognised in the Other Comprehensive Income:				
Remeasurements (gains)/losses	(11.51)	-	(1.73)	-
Net Cost Recognised in Other Comprehensive Income	(11.51)	-	(1.73)	-
Financial Assumptions :				
Discount Rate	6.70%	6.70%	6.60%	6.60%
Salary Growth Rate (per annum)	8.00%	8.00%	8.00%	8.00%
Demographic Assumptions :				
Mortality Rate (% of IALM 12-14)	100%	100%	100%	100%
Normal Retirement Age (yrs.)	58	58	58	58
Attrition Rates, based on age	2%	2%	2%	2%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India.

The discount rate is based on the government securities yield.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards.



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 30 - Employee Benefits Obligation (Contd.)

A quantitative sensitivity analysis for significant assumption is shown below:

	Gratuity			
	As at 31.03.2021		As at 31.03.2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	182.40	154.27	202.31	171.93
% change compared to base due to sensitivity	9.02%	-7.79%	8.80%	-7.54%
Salary Growth Rate (- / + 1%)	158.59	176.47	176.30	196.20
% change compared to base due to sensitivity	-5.21%	5.48%	-5.19%	5.52%
Attrition Rate (- / + 50%)	165.79	168.65	184.70	187.04
% change compared to base due to sensitivity	-0.90%	0.80%	-0.67%	0.59%
Mortality Rate (- / + 10%)	167.03	167.57	185.71	186.17
% change compared to base due to sensitivity	-0.17%	0.16%	-0.13%	0.12%

	Leave Encashment			
	As at 31.03.2021		As at 31.03.2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	132.54	110.75	128.78	107.39
% change compared to base due to sensitivity	9.71%	-8.33%	9.85%	-8.39%
Salary Growth Rate (- / + 1%)	110.15	133.05	106.81	129.26
% change compared to base due to sensitivity	-8.83%	10.13%	-8.89%	10.27%
Attrition Rate (- / + 50%)	121.93	119.82	118.45	116.14
% change compared to base due to sensitivity	0.92%	-0.82%	1.05%	-0.93%
Mortality Rate (- / + 10%)	120.99	120.64	117.41	117.05
% change compared to base due to sensitivity	0.14%	-0.14%	0.16%	-0.15%

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iii) Risk Exposure

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk : The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk : This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk : The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the

present value of obligation will have a bearing on the plan's liability.

Demographic Risk : The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk : Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972(as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000).



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 31 - Leases

Operating Lease - Company as Lessor

The Company has given Mall premises and IT Park on operating lease to different lessees. The Company enters into 3 - 15 years cancellable lease agreements. Minimum Guaranteed lease payments receivable in respect of these leases for non-cancellable period are as follows-

Particulars	₹ in Lakhs	
	As at 31.03.2021	As at 31.03.2020
Within one year	3,311.20	7,840.16
After one year but not more than five years	4,034.19	6,892.11
	<u>7,345.39</u>	<u>14,732.27</u>

Note 32 - Commitment and Contingencies

a. Commitments

- a) Estimated amount of contracts remaining to be executed on capital expenditure and not provided for (net of advances)

₹ in Lakhs	
As at 31.03.2021	As at 31.03.2020
3,680.72	2,548.02

b. Contingent Liabilities

Claims against the Company not acknowledged as debts (Net of Advances)

Service Tax Demands
Employees State Insurance Demands (Net of Advances)
Total

₹ in Lakhs	
As at 31.03.2021	As at 31.03.2020
990.06	990.06
9.62	9.62
<u>999.68</u>	<u>999.68</u>

The Company has been advised by its lawyers that none of the claims are tenable and is therefore contesting the same and hence has not been provided for in the books. The future cash flows on account of the above cannot be determined unless the judgements/decisions are received from the ultimate judicial forums. No reimbursements is expected to arise to the Company in respect of above cases.

c. Guarantees given

Against Loans taken by a Step Down Subsidiary
Against Sales tax
Others
Total

₹ in Lakhs	
As at 31.03.2021	As at 31.03.2020
40,465.13	55,281.37
-	29.00
591.27	626.74
<u>41,056.40</u>	<u>55,937.11</u>



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SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 33 - 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
01. South City Projects FZE	Subsidiary	100.00%
02. South City Matrix Infrastructure Ltd.	Subsidiary	99.65%
03. South City Property Management Private Ltd.	Subsidiary	100.00%
04. South City Developers Ltd.	Subsidiary	100.00%
05. South City International School	Subsidiary	51.00%
06. South City Retreat Property Management Private Ltd.	Subsidiary	100.00%
07. AA Infraproperties Private Ltd.	Subsidiary	87.50%
08. Bengal Anmol South City Infrastructure Ltd.	Subsidiary	69.65%
09. AA Infra (Middle East) Ltd.	Step Down Subsidiary	87.50%
10. AA Infra Properties (Jafza) Ltd.	Step Down Subsidiary	87.50%
11. Indocean Developers (Private) Ltd.	Step Down Subsidiary	87.50%

II. Other related parties with whom transactions have taken place during the year:**a) Joint Venture of the Company**

Name of related parties	Nature of relationship	% of Holding
1. Kolkata Metropolitan South City Development Ltd.	Joint Venture of the Company	49.97%

b) Key Management Personnel

Name of related parties	Nature of relationship
Shri Pradeep Kumar Sureka	Non - Executive Director
Shri Rajendra Kumar Bachhawat	Non - Executive Director
Shri Ravi Todi	Non - Executive Director
Shri Sushil Kumar Mohta	Non - Executive Director
Shri Jugal Kishore Khetawat	Non - Executive Director
Dr. Nitesh Kumar Gupta	Non - Executive Director (Since 30.06.2020)
Shri Hari Mohan Marda	Independent Director
Shri Shrish Tapuriah	Independent Director (Since 02.09.2020)
Shri Parimal Ajmera	Company Secretary
Shri Nikhil Chandra Das	Vice President - Projects (upto 30.11.2020)
Shri Man Mohan Bagree	Vice President

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

- South City Belair Property Management Private Ltd.
- Khetawat Family Welfare Trust
- Khetawat Properties Ltd.
- South City Anmol Infra Park LLP
- Groove Traders Pvt. Ltd.
- Merlin Projects Ltd.
- Bantala Properties Pvt. Ltd.



SOUTH CITY PROJECTS (KOLKATA) LTD.

D. Transactions

Particulars	Subsidiaries		Joint Venture		Key Management Personnel		Entities where Key Management Personnel and their relatives have significant influence		Total	₹ in Lakhs
	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020	31/03/2021	31/03/2020		
Sitting Fees	-	-	-	-	3.40	3.00	-	-	3.40	3.00
Remuneration & Commission	-	-	-	-	120.50	159.62	-	-	120.50	159.62
Rendering of Services	3.60	3.60	-	-	-	-	-	-	3.60	3.60
Loan Given	15,812.44	18,197.45	-	-	-	-	-	-	15,812.44	18,197.45
Loan Received	-	-	-	-	438.00	2,730.00	323.00	2,000.00	761.00	4,730.00
Advances Given	540.27	490.18	-	-	3.47	33.45	0.03	1.00	543.77	524.64
Advances for Property Development	-	-	-	-	-	-	-	10.03	-	10.03
Electric & Other Charges	2.46	6.03	-	-	-	-	-	0.22	2.46	6.25
Interest Income	12.60	212.09	-	-	-	-	12.39	15.04	24.99	227.13
Received towards interest	12.60	1,569.65	-	-	-	-	11.25	15.00	23.85	1,584.65
Interest Exp.	-	-	-	-	11.28	91.14	135.49	14.69	146.78	105.83
Payment towards interest	-	-	-	-	-	71.54	120.56	10.64	120.56	82.17
Receipt Towards Loan Given	891.35	2,096.74	-	-	-	-	-	-	891.35	2,096.74
Repayment of Loan Received	-	-	-	-	350.00	3,180.00	-	2,000.00	350.00	5,180.00
Receipt Towards Advances given	-	169.65	-	-	4.14	16.64	-	-	4.14	186.29
Received Towards Electric & Other Charges	1.04	5.55	-	-	-	-	-	0.09	1.04	5.64
Expenses Incurred	-	-	0.70	0.30	-	-	-	-	0.70	0.30
Provision for Advance in Subsidiary	-	0.12	-	-	-	-	-	-	-	0.12
Deduction of Corporate Guarantee Given	-	9,535.92	-	-	-	-	-	-	-	9,535.92
Balance as on 31.03.2021	14,816.24	-	-	-	-	-	-	-	14,816.24	-
A - Investment	2,720.63	2,720.63	-	-	-	-	138.00	-	2,858.63	2,720.63
B - Loan Given	68,432.44	53,460.34	-	-	-	-	50.00	100.00	68,482.44	53,560.34
C - Loan Received	-	-	-	-	98.75	-	-	-	98.75	-
C - Advance for Land	-	-	1,205.06	1,204.36	-	-	-	-	1,205.06	1,204.36
D - Advances for Property Development	-	-	-	-	-	-	239.54	239.54	239.54	239.54
E - Creditors	-	-	-	-	-	32.40	-	-	-	32.40
F - Debtors	2.37	0.55	-	-	-	-	-	-	2.37	0.55
G - Advances Paid	140.45	163.76	-	-	42.99	49.68	286.95	286.93	1,611.14	500.37
H - Provision for advance in Subsidiary	1,355.95	679.81	-	-	-	-	-	-	1,355.95	679.81
I - Advances received	-	-	-	-	-	-	0.16	0.16	0.16	0.16
J - Corporate Guarantees Given	40,465.13	55,281.37	-	-	-	-	-	-	40,465.13	55,281.37
K - Interest Receivable	-	870.64	-	-	-	-	4.87	3.37	4.87	874.00
L - Interest Payable	-	-	-	-	11.05	19.60	2.42	4.06	13.47	23.66



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 34 - 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 31st Mar 2021

	Level 1	Level 2	Level 3	₹ in Lakhs Total
Financial Assets				
Investment at FVTPL				
In Quoted units of Mutual funds	371.35	-	-	371.35

Financial Assets and Liabilities measured at Fair Value at 31st March 2020

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment at FVTPL				
In Quoted units of Mutual funds	13,541.07	-	-	13,541.07

(b) Financial Instruments at Ammortized 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

SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 35 - 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 fixed and 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

Asset Group	Description
Low Credit Risk	Cash and cash equivalents, other bank balances, investments and other financial assets
Moderate Credit Risk	Current Trade receivables and Secured loans
High Credit Risk	Non Current Trade receivables and Unsecured loans

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.

Credit Rating	Particulars	31.03.2021	31.03.2020
Low Credit Risk	Cash and Cash equivalents, other bank balances, investments and other financial assets	29,024.75	30,045.48
Moderate Credit Risk	Current Trade receivables and Secured loans	1,486.70	1,563.27
High Credit Risk	Non Current Trade receivables and Unsecured loans	68,852.16	54,145.99



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

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

March 31, 2021

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	15,174.41	32,271.22	27,597.42	75,043.05
Trade Payable	3,594.72	-	-	3,594.72
Other Financial Liabilities	12,797.82	-	0.35	12,798.17

March 31, 2020

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	13,906.32	29,399.25	24,848.11	68,153.68
Trade Payable	3,891.85	-	-	3,891.85
Other Financial Liabilities	6,419.96	-	0.31	6,420.27

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	31.03.2021	31.03.2020
Variable Rate Borrowing	72,826.61	61,697.20
Fixed Rate Borrowing	2,216.44	6,456.49

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	31-Mar-21	31-Mar-20
Interest Sensitivity*		
Interest Rates increase by 100 basis points	(728.27)	(616.97)
Interest Rates decrease by 100 basis points	728.27	616.97

*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	31-Mar-21	31-Mar-20
Price Sensitivity*		
Price increase by 5% on FVTPL	18.57	677.05
Price decrease by 5% on FVTPL	(18.57)	(677.05)

*Holding all other variables constant



SOUTH CITY PROJECTS (KOLKATA) LIMITED

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 36 - Capital management

For the purpose of the Company's capital management, capital includes issued equity 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 longterm 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	
	As at 31.03.2021	As at 31.03.2020
Borrowings	75,043.05	68,153.69
Other Financial Liabilities	12,798.17	6,420.27
Trade Payables	3,594.72	3,891.85
Less: Cash and Cash Equivalents	663.77	143.43
Less: Bank balances other than Cash & Cash Equivalents	21,873.90	4,062.62
Net Debt	68,898.28	74,259.77
Total capital	48,765.36	48,736.21
Capital and Net Debt	117,663.63	122,995.98
Gearing ratio	58.56%	60.38%



South City Projects (Kolkata) Limited

Notes on Standalone Financial Statements as at and for the year ended 31st March '2021

Note 37:

Mr. Jaideep Halwasiya, an erstwhile Director of AA Infra Properties Pvt Ltd(AAIPL) and Indoccean Developers Private Limited (IDPL), in collusion with another director and officers of IDPL had carried out certain illegalities in the affairs of IDPL in contravention of the provisions of the Sri Lankan Companies Act and other Statute of Sri Lanka owing to which the shareholding in IDPL of AAIPL was fraudulently sought to be altered from 100% to 13.84% by issue of fresh shares at values significantly lower than fair value of IDPL. By this process Mr. Jaideep Halwasiya had illegally tried to take control of IDPL. AAIPL considering such alteration as illegal, null and void and not accepting the same, had challenged the same and other illegal activities before the hon'ble Commercial High Court, Colombo in C.P. No.HC(Civil)/02/2020/CO and had also lodged several complaints with law enforcement agencies of Sri Lanka. However, during the pendency of the aforesaid, a settlement was arrived at a consequence, the shareholding of AAIPL in IDPL has again brought back to 100% and several nominee Directors of AAIPL have also been inducted in the Board of IDPL.

Note 38:

Mr. Jaideep Halwasiya had also initiated proceeding against AA Infra Properties Pvt Ltd., subsidiary of the company u/s 241 & 242 of the Companies Act 2013 being C.P. no.264/KB of 2020. In the proceeding NCLT had not passed any order against AAIPL. In appeal, NCLAT passed order on 04/09/2020 there by staying the appointment of 3 directors of AAIPL made on 24/09/2019 and further staying removal of Mr. Jaideep Halwasiya from the Board of Directors of AAIPL. Challenging the same the company as well as its subsidiary AAIPL moved to Supreme Court by filing civil appeals, in which interim order of stay was granted on 25/09/2020. During the pendency of the aforesaid, in view of the settlement having been reacted, Mr. Halwasiya filed an application before NCLT on 02.06.2021 and in terms of the said application, the NCLT was pleased to allow withdrawal of the proceeding u/s 241 & 242 on 14.06.2021. In furtherance of the said Order of NCLT, the Company and its Subsidiary have withdrawn their Civil Appeals from Supreme Court on 10.08.2021

Note 39:

Considering the importance of Indoccean Developers Pvt. Ltd. project in Colombo, for building overseas investor confidence, the President of Sri Lanka had declared it as a flagship foreign investment project of national importance. The President had also appointed Special Authorised Officer (SAO) to resolve project implementation issues and the project is being implemented under the guidance of SAO by the newly formed Board of Directors of IDPL.

Note 40:

In View of sluggish real estate market condition and covid impact on step down subsidiary viz Indoccean Developers Private Limited ("IDPL"), the Company has waived off interest for the FY 2020-21 on the loan given to subsidiary viz AA Infra Properties Limited ("AAIPL") as the said loan has been further given to IDPL. Based on the loan projected cashflow of IDPL, (as certified by the management), the loan is good and thus need not impaired /provided for.

Note 41:

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



South City Projects (Kolkata) Limited
Notes on Standalone Financial Statements as at and for the year ended 31st March '2021
Note 42 - Segment Information

1. The Company has disclosed business segment as the primary segment. The Company is collectively organised into following business segments namely:

(a) Real estate projects ; (b) Rental Activities.

Segments have been identified as reportable segments by the Company's chief operating decision maker ("CODM"). Segment profit amounts are evaluated regularly by the Board, which has been identified as the CODM, in deciding how to allocate resources and in assessing performance.

Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amount allocated on a reasonable basis. Unallocated expenditure consists of common expenditure incurred for all the segments and expenses incurred at corporate level. The assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

2. The accounting policies of the reportable segments are the same as the Company's accounting policies described in Note 3. Segment profit (Earnings before interest, depreciation and amortization, and tax) amounts are evaluated regularly by the Board that has been identified as its CODM in deciding how to allocate resources and in assessing performance. The Company's financing (including finance costs and finance income) and income taxes are reviewed on an overall basis and are not allocated to operating segments.

3. The Company's activities are restricted within India and hence no separate geographical segment disclosure is considered necessary.

4. The net expenses and income, which are not directly attributable to a particular Business Segment, are shown as unallocated corporate cost and income respectively.

5. Assets and Liabilities that can not be allocated between the segments are shown as a part of unallocated corporate assets and liabilities respectively.

6. The Company does not have any major customer i.e. Revenue from transactions with a single external customer does not amount to 10% or more of the Company's Revenue.

The following table presents revenue and profit information for the Company's operating segment for the year ended March 31, 2021 and March 31, 2020

Particulars	Real Estate Projects		Rental Activities		Unallocated		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Revenue								
Total External Revenue	1,342.56	49.60	11,246.74	16,912.62	-	-	12,589.31	16,962.21
Inter Segment Revenue	-	-	-	-	-	-	-	-
Total Revenue	1,342.56	49.60	11,246.74	16,912.62	-	-	12,589.31	16,962.21
Results								
Segment Results	245.53	(495.03)	8,189.99	13,134.20	-	-	8,435.52	12,639.17
Unallocated Corporate Expenses	-	-	-	-	199.19	1,174.92	199.19	1,174.92
Operating Profit/(loss)	245.53	(495.03)	8,189.99	13,134.20	(199.19)	(1,174.92)	8,236.33	11,464.25
Other Income	12.43	59.79	316.54	440.32	-	-	328.97	500.11
Unallocated Other Income	-	-	-	-	339.03	657.71	339.03	657.71
Interest Income	2.02	4.02	63.27	66.31	-	-	65.29	70.33
Unallocated Interest Income	-	-	-	-	1,320.65	485.85	1,320.65	485.85
Financial Expenses	0.47	-	2,003.77	1,759.78	-	-	2,004.24	1,759.78
Unallocated Financial Expenses	-	-	-	-	6,786.60	6,487.64	6,786.60	6,487.64
Profit/(loss) Before Tax	248.65	(444.21)	5,162.73	10,266.02	(5,328.83)	(6,522.26)	82.58	3,299.53
Current Tax	-	-	-	-	160.25	885.00	160.25	885.00
Deferred Tax	-	-	-	-	(98.66)	(1,560.66)	(98.66)	(1,560.66)
Income Tax of Earlier Years	-	-	-	-	-	25.47	-	25.47
Net Profit/(loss) after Tax	248.65	(444.21)	5,162.73	10,391.82	(5,390.42)	(5,872.07)	20.99	3,949.72



The following table presents assets and liabilities information for the Company's operating segment for the year ended March 31, 2021 and March 31, 2020

Particulars	Real Estate Projects		Rental Activities		Unallocated		Total	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Net Segment Assets	5,984.70	5,172.08	50,581.96	65,534.72	-	-	56,566.66	70,706.81
Unallocated Corporate Assets	-	-	-	-	95,055.51	67,688.95	95,055.51	67,688.95
Total Assets	5,984.70	5,172.08	50,581.96	65,534.72	95,055.51	67,688.95	151,622.17	138,395.76
Net Segment Liabilities	5,736.04	5,616.29	21,656.07	31,505.55	-	-	27,392.11	37,121.83
Unallocated Corporate Liabilities	-	-	-	-	75,464.71	52,537.72	75,464.71	52,537.72
Total Liabilities	5,736.04	5,616.29	21,656.07	31,505.55	75,464.71	52,537.72	102,856.82	89,659.55
Capital Expenditure Incurred	-	-	34,845.00	687.44	-	-	34,845.00	687.44
Unallocated Capital Expenditure Incurred	-	-	-	-	0.35	2.08	0.35	2.08
Depreciation and Amortisation expense	10.86	13.00	1,403.30	1,615.03	2.72	3.25	1,416.88	1,631.28

Note 43:

All figures are in Rupees Lakhs. Figures marked with (*) are below the rounding off norm adopted by the Company.

Note 44:

The Company has assessed its Investment in Preference Share of AA Infraproperties Pvt. Ltd. to be a Compound financial Instruments and accordingly split the same as Investment in Equity Instruments of INR 1232.95 lacs and Investment in Debt Instrument of INR 1392.05 lacs.

Note 45 : Ind AS 116 -Leases:

The Company has taken land on lease on which the Company has applied Ind AS-116, leases.

Leases

Company as a lessee

Impact on Balance sheet (Increase/Decrease)

Particulars	₹ in Lakhs	
	31st March, 2021	31st March, 2020
Assets		
Right of use Assets (Refer Note No. 4.3)	906.92	921.83
Liabilities		
Lease liability	0.35	0.31

Impact on Statement of Profit and Loss (Decrease in Profit)

Particulars	₹ in Lakhs	
	31st March, 2021	31st March, 2020
Depreciation and Amortisation	14.91	
Rental Expense	(0.04)	
Finance Cost	0.04	
Net decrease in Profit	14.91	

Impact on Statement of cash flows

Particulars	₹ in Lakhs	
	31st March, 2021	31st March, 2020
Total Cash outflow for leases	0.04	



There is no material impact on other comprehensive income or the basic and diluted earning per share.

Set out below are the carrying amounts of right-of-use assets recognised and the movement during the period:

Particulars	₹ in Lakhs
	31st March, 2021
As at 1st April 2020	921.83
Addition during the year	-
Depreciation Expense	14.91
As at 31st March 2021	906.92

Set out below are the carrying amounts of lease liabilities and the movement during the period:

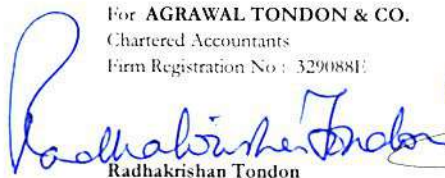
Particulars	₹ in Lakhs
	31st March, 2021
As at 1st April 2020	0.31
Addition during the year	0.04
Repayment during the year	-
As at 31st March 2021	0.35

Maturity Analysis of Lease Liability
Contractual maturities of lease liability

Particulars	₹ in Lakhs
	31st March, 2021
Within one year	0.00
After one year but not more than five years	0.00
More than five years	0.35
Total Lease liability	0.35

For AGRAWAL TONDON & CO.
Chartered Accountants
Firm Registration No : 329088E

For and on behalf of Board of Directors


Radhakrishnan Tondon
Partner

For South City Projects (Kolkata) Ltd.

For South City Projects (Kolkata) Ltd.

Membership No- 060534
Place: Kolkata
Dated: 23rd September, 2021

Director

Director

For South City Projects (Kolkata) Ltd.


Company Secretary

