

# BSD & Co.

## Chartered Accountants

Branch Office Delhi: 810, 8th Floor, Antriksh Bhawan, 22 Kasturba Gandhi Marg, New Delhi-110001(Delhi)  
Tel. : 011-43029888, Email id: delhi@bsdgroup.in website : www.bsdgroup.in

### INDEPENDENT AUDITORS' REPORT

To The Members of Omaxe Infrastructure Limited

### Report on the Financial Statements

#### Opinion

We have audited the accompanying Financial statements of **Omaxe Infrastructure Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to Financial Statement including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2020, and profit after tax (including other comprehensive income), changes in equity and its cash flows for the year then ended.

#### Basis for Opinion:

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

#### Emphasis of Matter

We draw attention to note no. 31 to financial statement which describes the management's assessment of impact of outbreak of Covid-19 on business operations of the company. The management of the company have concluded that no adjustments are required to be made in financial statements as it does not impact current financial year, however, various preventive measures taken by Government are still in force leading to highly uncertain economic environment, therefore, the management's assessment of impact on subsequent period is highly dependent on situations/circumstances as they evolve.

Our opinion is not modified in respect of this matter.

#### Key Audit Matters

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



## Description of Key Audit Matters

Sr. No.	Key Audit Matters	<u>How that matter was addressed in our audit report</u>
1	<p><b><u>Revenue recognition</u></b></p> <p>The application of <i>Ind AS 115</i> accounting standard involves certain key judgment's relating to identification of contracts with customer, identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer Note 14 to the Financial Statements</p>	<p>Our audit procedure on revenue recognition from real estate projects included:</p> <ul style="list-style-type: none"> <li>• Selecting sample to identify contracts with customers, identifying separate performance obligation in the contracts, determination of transaction price and allocating the transaction price to separate performance obligation.</li> <li>• On selected samples, we tested that the revenue recognition is in accordance with accounting standards by               <ol style="list-style-type: none"> <li>i) Reading, analyzing and identifying the distinct performance obligations in real estate projects.</li> <li>ii) Comparing distinct performance obligations with that identified and recorded.</li> <li>iii) Reading terms of agreement to determine transaction price including variable consideration to verify transaction price used to recognize revenue.</li> <li>iv) Performing, analytical procedures to verify reasonableness of revenue accounted by the Company.</li> </ol> </li> </ul>
2	<p><b><u>Liability for Non-performance of real estate agreements/ civil law suits against the Company</u></b></p> <p>The Company may be liable to pay damages/ interest for specific non-performance of certain real estate agreements, civil cases preferred against the Company for specific performance of the land agreement, the liability on account of these, if any have not been estimated and disclosed as contingent liability.</p> <p>Refer Note 22 to the Financial Statements</p>	<p>We obtained details/ list of pending civil cases and also reviewed on sample basis real estate agreements, to ascertain damages on account of non-performance of those agreement and discussed with the legal team of the Company to evaluate management position.</p>

### Other Information

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Financial statements and our auditor's report thereon. The other information is expected to make available to us after the date of audit report.

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



In connection with our audit of the Financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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



are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial statements, including the disclosures, and whether the Financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flow and the Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid Financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us no remuneration was paid by the company to its directors during the year.



h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its Financial statements.
- ii. There are no material foreseeable losses on long term contracts including derivative contracts requiring provision.
- iii. There are no amounts, required to be transferred, to the investor Education and Protection Fund by the Company.

2. 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 I**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **BSD & Co**

Chartered Accountants

Firm's Registration No: 000312S

  
Prakash Chand Surana

Partner

Membership No: 010276

UDIN: 20010276AAAAEG8574



Place: New Delhi

Date: 25<sup>th</sup> July 2020

## Annexure I to Independent Auditors' Report

(Referred to in paragraph 2 under "Report on other Legal and Regulatory Requirements section of our report to the members of Omaxe Infrastructure Limited of even date)

- i. The Company does not have any Fixed Assets.
- ii. The inventory includes land, completed real estate projects, projects in progress. Physical verification of inventory has been conducted at reasonable intervals by the management and discrepancies noticed which were not material in nature have been properly dealt with in the books of accounts.
- iii. According to the information and explanation given to us, during the year the Company has not granted any loans, secured or unsecured to companies, firm, or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to information and explanations given to us, there are no loans, investments, guarantees and securities granted during the year in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us and on the basis of our examination of the records of the company, in respect of statutory dues:
  - (a) Amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employee state insurance, income tax, duty of customs, Cess, Goods and Service Tax (GST) and other material statutory dues have generally been regularly deposited during the year by the company with the appropriate authorities.
  - (b) No undisputed amounts payable in respect of provident fund, employees' state insurance, income Tax, duty of customs, Cess, Goods & Service Tax (GST) and other material statutory dues were in arrears as at 31<sup>st</sup> March 2020 for a period of more than six months from the date they became payable.
  - (c) There are no material dues of income tax, duty of custom, or duty of excise, or value added tax, Cess or Goods & Service Tax (GST) which have not been deposited with the appropriate authorities on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loan from any banks and financial institutions. There are no debenture holders.
- ix. According to the information and explanations given to us, no term loan was taken and no money was raised by way of initial public offer or further public offer [including debt instruments] by the Company. Hence reporting under clause 3(ix) of the Order is not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us, no managerial remuneration has been paid or provided during the year.



- xii. According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Act, where applicable and the details of related party transactions have been disclosed in the Financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. According to information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934.

**For BSD & Co**

*Chartered Accountants*

Firm Registration No: 0003125

Prakash Chand Surana  
(Partner)

Membership No: 010276

UDIN: 20010276AAAAEG8574



Place: New Delhi

Date: 25<sup>th</sup> July 2020

## **Annexure II to Independent Auditors' Report**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Omaxe Infrastructure Limited of even date)**

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

We have audited the internal financial controls over financial reporting of **Omaxe Infrastructure Limited** ("the Company") as at 31 March 2020 in conjunction with our audit of the Financial statements of the Company for the year ended on that date.

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

The 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, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

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

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

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

#### **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:

- (a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and





- (c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial statements.

### **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 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **BSD & Co**

*Chartered Accountants*

Firm Registration No: 000312S


Prakash Chand Surana  
*Partner*

Membership No: 010276

UDIN: 20010276AAAAEG8574

Place: New Delhi

Date: 25<sup>th</sup> July 2020

:

**Omaxe Infrastructure Limited**

Regd. Office: Omaxe House 7, LSC Kalkaji, New Delhi-110019

CIN: U45203DL2002PLC116721

**BALANCE SHEET AS AT 31 MARCH 2020**

(Amount in Rupees)

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
a) Financial Assets			
i) Other Financial Assets	1	-	1,82,340.30
b) Deferred Tax Assets (net)	2	-	-
c) Non Current Tax Assets (net)		52,91,389.00	53,46,412.38
		<u>52,91,389.00</u>	<u>55,28,752.68</u>
<b>Current Assets</b>			
a) Inventories	3	39,24,504.41	86,42,809.07
b) Financial Assets			
i) Trade Receivables	4	4,45,483.11	4,27,460.37
ii) Cash and Cash Equivalents	5	4,46,850.64	10,62,350.72
iii) Other Bank Balances	6	1,80,344.00	-
iv) Other Financial Assets	7	20,16,88,240.07	20,27,18,946.78
c) Other Current Assets	8	12,81,526.43	5,95,834.80
		<u>20,79,66,948.66</u>	<u>21,34,47,401.74</u>
		<u>21,32,58,337.66</u>	<u>21,89,76,154.42</u>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share Capital	9	4,62,90,000.00	4,62,90,000.00
b) Other Equity		6,57,81,153.77	5,05,63,074.51
		<u>11,20,71,153.77</u>	<u>9,68,53,074.51</u>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
a) Financial Liabilities			
i) Other Financial Liabilities	10	9,31,28,633.58	9,30,11,087.65
		<u>9,31,28,633.58</u>	<u>9,30,11,087.65</u>
<b>Current liabilities</b>			
a) Financial Liabilities			
i) Trade Payables	11		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		14,37,997.00	15,61,329.00
ii) Other Financial Liabilities	12	11,08,364.00	1,97,354.00
b) Other Current Liabilities	13	87,911.31	2,73,53,309.26
c) Current tax liabilities (net)		54,24,278.00	-
		<u>80,58,550.31</u>	<u>2,91,11,992.26</u>
		<u>21,32,58,337.66</u>	<u>21,89,76,154.42</u>
<b>TOTAL EQUITY AND LIABILITIES</b>			

Significant accounting policies

A

Notes on financial statements

1-33

The notes referred to above form an integral part of financial statements.

As per our audit report of even date attached


For and on behalf of

For and on behalf of board of directors

**B S D & Co.**


(Regn. No. -000312S)

Chartered Accountants

  
Prakash Chand Surana  
Partner  
M.No. 010276  
Place: New Delhi  
Date: 25 JUL 2020



  
Jitender Goyal  
(Director)  
DIN: 00173841

  
Alok Kumar Pandey  
(Director)  
DIN: 00031121

UDIN: 20010276AAAAE678574  
Place: New Delhi  
Date: 25 JUL 2020

**Omaxe Infrastructure Limited**

Regd. Office: Omaxe House 7, LSC Kalkaji, New Delhi-110019  
CIN: U45203DL2002PLC116721

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	Note No.	(Amount in Rupees)	
		Year Ended 31 March 2020	Year Ended 31 March 2019
<b>REVENUE</b>			
Revenue from Operations	14	2,56,08,628.65	2,89,62,335.47
Other Income	15	14,431.63	22,168.70
<b>TOTAL INCOME</b>		<b>2,56,23,060.28</b>	<b>2,89,84,504.17</b>
<b>EXPENSES</b>			
Cost of Material Consumed, Construction & Other Related Project Cost	16	5,227.98	9,60,970.15
Changes in Inventories of Projects in Progress	17	47,18,304.66	1,51,57,183.89
Finance Costs	18	12,224.00	10,59,075.00
Other Expenses	19	1,89,923.00	14,65,849.00
<b>TOTAL EXPENSES</b>		<b>49,25,679.64</b>	<b>1,86,43,078.04</b>
<b>Profit Before Tax</b>		<b>2,06,97,380.64</b>	<b>1,03,41,426.13</b>
Tax Expense	20	54,79,301.38	29,21,873.84
<b>Profit For The Year(A)</b>		<b>1,52,18,079.26</b>	<b>74,19,552.29</b>
<b>Other Comprehensive Income</b>			
1) Items that will not be reclassified to Statement of Profit and Loss			
Remeasurements of the Net Defined Benefit Plans		-	-
Tax On Remeasurements of The Net Defined Benefit Plans - Actuarial Gain or Loss		-	-
<b>Total Other Comprehensive Income(B)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year(Comprising Profit for the year and other comprehensive Income) (A+B)</b>		<b>1,52,18,079.26</b>	<b>74,19,552.29</b>
Earning Per Equity Share-Basic & Diluted (In Rupees)	21	3.29	1.60
Significant accounting policies	A		
Notes on financial statements	1-33		

The notes referred to above form an integral part of financial statements.

As per our audit report of even date attached

For and on behalf of

**B S D & Co.**

(Regn. No. -000312S)

Chartered Accountants

For and on behalf of board of directors

Prakash Chand Surana  
Partner  
M.No. 010276



*[Signature]*  
Jitender Goyal  
(Director)  
DIN:00173841

*[Signature]*  
Alok Kumar Pandey  
(Director)  
DIN: 06831121

UDIN: 20010276 AAAAEG 8574

Place: New Delhi

Date: 25 JUL 2020

**Omaxe Infrastructure Limited**

Regd. Office: Omaxe House 7, LSC Kalkaji, New Delhi-110019  
CIN: U45203DL2002PLC116721

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020**

**A. Equity Share Capital**

Particulars	Numbers	(Amount in Rupees)
Balance as at 1 April 2018	46,29,000	4,62,90,000.00
Changes in equity share capital during 2018-19	-	-
<b>Balance as at 31 March 2019</b>	<b>46,29,000</b>	<b>4,62,90,000.00</b>
Balance as at 1 April 2019	46,29,000	4,62,90,000.00
Changes in equity share capital during 2019-20	-	-
<b>Balance as at 31 March 2020</b>	<b>46,29,000</b>	<b>4,62,90,000.00</b>

**B. Other Equity**

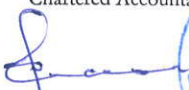
(Amount in Rupees)

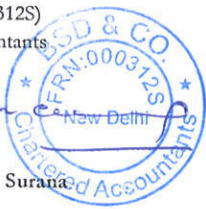
Description	Attributable to owners of Omaxe Infrastructure Limited		
	Retained Earnings	Other Comprehensive Income	Total Other Equity
Balance as at 1 April 2018	4,69,57,235.92	-	4,69,57,235.92
Transitional impact of adoption of Ind AS 115	(38,13,713.70)	-	(38,13,713.70)
Profit for the year	74,19,552.29	-	74,19,552.29
<b>Balance as at 31 March 2019</b>	<b>5,05,63,074.51</b>	<b>-</b>	<b>5,05,63,074.51</b>
Balance as at 1 April 2019	5,05,63,074.51	-	5,05,63,074.51
Profit for the year	1,52,18,079.26	-	1,52,18,079.26
<b>Balance as at 31 March 2020</b>	<b>6,57,81,153.77</b>	<b>-</b>	<b>6,57,81,153.77</b>

The notes referred to above form an integral part of financial statements.

As per our audit report of even date attached  
For and on behalf of  
**B S D & Co.**  
(Regn. No. -000312S)  
Chartered Accountants


For and on behalf of board of directors

  
**Prakash Chand Surana**  
Partner  
M.No. 010276





**Jitender Goyal**  
(Director)  
DIN: 00173841

  
**Alok Kumar Pandey**  
(Director)  
DIN: 06831121

UDIN: 20010276AAAAEL8574

Place: New Delhi  
Date: 25 JUL 2020

**Cash Flow Statement for the year ended 31 March 2020**

(Amount in Rupees)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>A. Cash flow from operating activities</b>		
Profit for the year before tax	2,06,97,380.64	1,03,41,426.13
Adjustments for :		
Interest income	(12,296.99)	(12,034.30)
Interest and finance charges	12,224.00	10,20,937.00
Liabilities no longer required written off	(130.00)	(1,852.00)
<b>Operating profit before working capital changes</b>	<b>2,06,97,177.65</b>	<b>1,13,48,476.83</b>
Adjustments for working capital		
Inventories	47,18,304.66	1,51,57,183.89
Trade receivables	(18,022.74)	23,56,743.79
Current other financial assets	10,45,000.00	(20,27,18,946.78)
Other non-financial assets	(6,85,691.63)	19,89,97,582.27
Trade payable and other financial and non financial liabilities	(2,63,60,044.02)	(1,69,19,365.15)
	<b>(2,13,00,453.73)</b>	<b>(31,26,801.98)</b>
<b>Net cash flow from operating activities</b>	<b>(6,03,276.08)</b>	<b>82,21,674.85</b>
Direct tax paid/(refund)	-	(77,79,382.00)
<b>Net cash generated from/(used in) Operating activities (A)</b>	<b>(6,03,276.08)</b>	<b>4,42,292.85</b>
<b>B Cash flow from investing activities</b>		
Interest received	-	21,880.00
Movement in bank deposits	-	(20,676.00)
<b>Net cash generated from /(used in) investing activities (B)</b>	<b>-</b>	<b>1,204.00</b>
<b>C Cash flow from financing activities</b>		
Interest and finance charges paid	(12,224.00)	(10,20,937.00)
<b>Net cash (used in)/generated from Financing activities (C)</b>	<b>(12,224.00)</b>	<b>(10,20,937.00)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(6,15,500.08)</b>	<b>(5,77,440.15)</b>
Opening balance of cash and cash equivalents	10,62,350.72	16,39,790.87
Closing balance of cash and cash equivalents	4,46,850.64	10,62,350.72

FOR THE YEAR ENDED	Year Ended 31-Mar-20	Year Ended 31-Mar-19
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>		
Cash on hand	44,848.00	44,848.00
Balance with banks	4,02,002.64	10,17,502.72
<b>Cash and cash equivalents at the end of the year</b>	<b>4,46,850.64</b>	<b>10,62,350.72</b>

FOR THE YEAR ENDED	Year Ended 31-Mar-20	Year Ended 31-Mar-19
<b>RECONCILIATION STATEMENT OF CASH AND BANK BALANCES</b>		
Cash and cash equivalents at the end of the year as per above	4,46,850.64	10,62,350.72
Held As Margin Money	1,80,344.00	-
<b>Cash and bank balances as per balance sheet (refer note 5 &amp; 6)</b>	<b>6,27,194.64</b>	<b>10,62,350.72</b>

As per our audit report of even date attached

For and on behalf of  
 B S D & Co.  
 (Regn. No. -000312S)  
 Chartered Accountants



Prakash Chand Surana  
 Partner  
 M.No. 010276

UDIN: 20010276AAAACG8574

For and on behalf of board of directors

*(Signature)*  
 Jitender Goyal  
 (Director)  
 DIN:00173841

*(Signature)*  
 Alok Kumar Pandey  
 (Director)  
 DIN: 06831121

**A Significant Accounting Policies :**

**1 Corporate information**

Omaxe Infrastructure Limited ("The Company") is a subsidiary company of Omaxe Limited. Registered address of the Company is 7 Omaxe House, LSC, Kalkaji, New Delhi-110019.  
The Company is into the real estate business.

**2 Significant Accounting Policies :**

**(i) Basis of Preparation**

The financial statements of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 ("Ind AS") issued by Ministry of Corporate Affairs ("MCA"). The Company has uniformly applied the accounting policies during the period presented.

**(ii) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers.

**(a) Real estate projects**

The company derives revenue from execution of real estate projects. Revenue from Real Estate project is recognised in accordance with Ind AS 115 which establishes a comprehensive framework in determining whether how much and when revenue is to be recognised .

Revenue from real estate projects are recognised upon transfer of control of promised real estate property to customer at an amount that reflects the consideration which the company expects to receive in exchange for such booking and is based on following 6 steps :

**1. Identification of contract with customers**

The company accounts for contract with a customer only when all the following criteria are met:

- Parties (i.e. the company and the customer) to the contract have approved the contract (in writing, orally or in accordance with business practices) and are committed to perform their respective obligations.
- The company can identify each customer's right regarding the goods or services to be transferred.
- The company can identify the payment terms for the goods or services to be transferred.
- The contract has commercial substance (i.e. risk, timing or amount of the company's future cash flow is expected to change as a result of the contract) and
- It is probable that the company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. Consideration may not be the same due to discount rate etc.

**2. Identify the separate performance obligation in the contract:-**

Performance obligation is a promise to transfer to a customer:

- Goods or services or a bundle of goods or services i.e. distinct or a series of goods or services that are substantially the same and are transferred in the same way.
- If a promise to transfer goods or services is not distinct from goods or services in a contract, then the goods or services are combined in a single performance obligation.
- The goods or services that is promised to a customer is distinct if both the following criteria are met:
  - The customer can benefit from the goods or services either on its own or together with resources that are readily available to the customer (i.e. The goods or services are capable of being distinct) and
  - The company's promise to transfer the goods or services to the customer is separately identifiable from the other promises in the contract (i.e The goods or services are distinct within the context of the contract).

**3.Satisfaction of the performance obligation:-**

The company recognizes revenue when (or as) the company satisfies a performance obligation by transferring a promised goods or services to the customer.

The real estate properties are transferred when (or as) the customer obtains control of Property.

**4 Determination of transaction price:-**

The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to customer excluding GST.

The consideration promised in a contract with a customer may include fixed amount, variable amount or both. In determining transaction price, the company assumes that goods or services will be transferred to the customer as promised in accordance with the existing contract and the contract can't be cancelled, renewed or modified

**5 Allocating the transaction price to the performance obligation:-**

The allocation of the total contract price to various performance obligation are done based on their standalone selling prices, the stand alone selling price is the price at which the company would sell promised goods or services separately to the customers.

**6.Recognition of revenue when (or as) the company satisfies a performance obligation:**

Performance obligation is satisfied over time or at a point in time.

Performance obligation is satisfied over time if one of the criteria out of the following three is met:

- The customer simultaneously receives and consumes a benefit provided by the company's performance as the company performs.
- The company's performance creates or enhances an asset that a customer controls as asset is created or enhanced
- The company's performance doesn't create an asset within an alternative use to the company and the company has an enforceable right to payment for performance completed to date.

Therefore the revenue recognition for a performance obligation is done over time if one of the criteria is met out of the above three else revenue recognition for a performance obligation is done at point in time.

The company disaggregate revenue from real estate projects on the basis of nature of revenue.



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**(b) Project Management Fee**

Project Management fee is accounted as revenue upon satisfaction of performance obligation as per agreed terms.

**(c) Interest Income**

Interest due on delayed payments by customers is accounted on accrual basis.

**(d) Income from trading sales**

Revenue from trading activities is accounted as revenue upon satisfaction of performance obligation.

**(e) Dividend income**

Dividend income is recognized when the right to receive the payment is established.

**(iii) Borrowing Costs**

Borrowing cost that are directly attributable to the acquisition or construction of a qualifying asset (including real estate projects) are considered as part of the cost of the asset/project. All other borrowing costs are treated as period cost and charged to the statement of profit and loss in the year in which incurred.

**(iv) Property, Plant and Equipment**

**Recognition and initial measurement**

Properties, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

**Subsequent measurement (depreciation and useful lives)**

Depreciation on Property, Plant and Equipment is provided on written down value method based on the useful life of the asset as specified in Schedule II to the Companies Act, 2013. The management estimates the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in the case of steel shuttering and scaffolding, whose life is estimated as five years considering obsolescence.

**De-recognition**

An item of property, plant and equipment and any significant part initially recognised is derecognized 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 derecognized.

**(v) Intangible Assets**

**Recognition and initial measurement**

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable

cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

**Subsequent measurement (amortization and useful lives)**

Intangible assets comprising of ERP & other computer software are stated at cost of acquisition less accumulated amortization and are amortised over a period of four years on straight line method.

**(vi) Impairment of Non Financial Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

**(vii) Financial Instruments**

**(a) Financial assets**

**Initial recognition and measurement**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs

**Subsequent measurement**

(1) Financial instruments at amortised cost – the financial instrument is measured at the amortised cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) 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. All other debt instruments are measured at Fair Value through other comprehensive income or Fair value through profit and loss based on Company's business model.

**De-recognition of financial assets**

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**(b) Financial liabilities**

**Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and transaction cost that are attributable to the acquisition of the financial liabilities are also adjusted. These liabilities are classified as amortised cost.

**Subsequent measurement**

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.



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**De-recognition of financial liabilities**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or on 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 or loss.

**(c) Financial guarantee contracts**

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. 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 expected loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortization.

**(d) Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 28 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**(e) 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 realize the assets and settle the liabilities simultaneously.

**(viii) Inventories and Projects in progress****(a) Inventories**

(i) Building material and consumable stores are valued at lower of cost and net realisable value. Cost is determined on the basis of the 'First in First out' method.

(ii) Land is valued at lower of cost and net realisable value. Cost is determined on average method. Cost includes cost of acquisition and all related costs.

(iii) Construction work in progress is valued at lower of cost and net realisable value. Cost includes cost of materials, services and other related overheads related to project under construction.

**(b) Projects in progress**

Projects in progress are valued at lower of cost and net realisable value. Cost includes cost of land, development rights, materials, construction, services, borrowing costs and other overheads relating to projects.

**(ix) Foreign currency translation****(a) Functional and presentation currency**

The financial statements are presented in currency INR, which is also the functional currency of the Company.

**(b) Foreign currency transactions and balances**

i. Foreign currency transactions are recorded at exchange rates prevailing on the date of respective transactions.

ii. Financial assets and financial liabilities in foreign currencies existing at balance sheet date are translated at year-end rates.

iii. Foreign currency translation differences related to acquisition of imported fixed assets are adjusted in the carrying amount of the related fixed assets. All other foreign currency gains and losses are recognized in the statement of profit and loss.

**(x) Retirement benefits**

i. Contributions payable by the Company to the concerned government authorities in respect of provident fund, family pension fund and employee state insurance are charged to the statement of profit and loss.

ii. The Company is having Group Gratuity Scheme with Life Insurance Corporation of India. Provision for gratuity is made based on actuarial valuation in accordance with Ind AS-19.

iii. Provision for leave encashment in respect of unavailed leave standing to the credit of employees is made on actuarial basis in accordance with Ind AS-19.

iv. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

**(xi) Provisions, contingent assets and contingent liabilities**

A provision is recognized when:

- the Company has a present obligation as a result of a 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.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**(xii) Earnings per share**

Basic earnings per share are calculated by dividing the Net Profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, Net Profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity share.





(xiii) Lease

The company has applied INDAS 116 w.e.f 01.04.2019. In accordance with INDAS 116, the company recognises right of use assets representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before commencement date less any lease incentive received plus any initial direct cost incurred and an estimate of cost to be incurred by lessee in dismantling and removing underlying asset or restoring the underlying asset or site on which it is located. The right of use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any, and adjusted for any re-measurement of lease liability. The right of use assets is depreciated using the Straight Line Method from the commencement date over the charter of lease term or useful life of right of use asset. The estimated useful life of right of use assets are determined on the same basis as those of Property, Plant and Equipment. Right of use asset are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in Statement of Profit and Loss.

The company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the company uses incremental borrowing rate.

The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modification or to reflect revised-in-substance fixed lease payments. The company recognises amount of re-measurement of lease liability due to modification as an adjustment to write off use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of right of use assets is reduced to zero and there is further reduction in measurement of lease liability, the company recognises any remaining amount of the re-measurement in Statement of Profit and Loss.

The company has elected not to apply the requirements of INDAS 116 to short term leases of all assets that have a lease term of 12 months or less unless renewable on long term basis and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense over lease term.

(xiv) Income Taxes

i. Provision for current tax is made based on the tax payable under the Income Tax Act, 1961. Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity)

ii. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(xv) Cash and Cash Equivalent

Cash and Cash equivalent in the balance sheet comprises cash at bank and cash on hand, demand deposits and short term deposits which are subject to an insignificant change in value.

The amendment to Ind AS-7 requires entities to provide disclosure of change in the liabilities arising from financing activities, including both changes arising from cash flows and non cash changes (such as foreign exchange gain or loss). The Company has provided information for both current and comparative period in cash flow statement.



(xvi) **Significant management judgement in applying accounting policies and estimation of uncertainty**

**Significant management judgements**

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

**Estimation of uncertainty related to Global Health Pandemic from COVID-19**

The Company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, Inventories, Investments and other assets & liabilities. In Considering the assessment, the company has considered internal information and is highly dependent on estimates and circumstances as they evolve.

**(a) Recognition of deferred tax assets**

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

**Estimation of uncertainty**

**(a) Recoverability of advances/receivables**

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

**(b) Defined benefit obligation (DBO)**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**(c) Provisions**

At each balance sheet date on the basis of management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future outcome may be different from this judgement.

**(d) Inventories**

Inventory is stated at the lower of cost and net realisable value (NRV).

NRV for completed inventory is assessed including but not limited to market conditions and prices existing at the reporting date and is determined by the Company based on net amount that it expects to realise from the sale of inventory in the ordinary course of business.

NRV in respect of inventories under construction is assessed with reference to market prices (by referring to expected or recent selling price) at the reporting date less estimated costs to complete the construction, and estimated cost necessary to make the sale. The costs to complete the construction are estimated by management

**(e) Lease**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of INDAS 116. Identification of a lease requires significant judgement. The company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The company determines the lease term as the non-cancellable period of lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option. In exercise whether the company is reasonably certain to exercise an option to extend a lease or to exercise an option to terminate the lease, it considers all relevant facts and circumstances that create an economic incentive for the company to exercise the option to extend the lease or to exercise the option to terminate the lease. The company revises lease term, if there is change in non-cancellable period of lease. The discount rate used is generally based on incremental borrowing rate.

**(f) Fair value measurements**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument / assets. Management bases its assumptions on observable data as far as possible but this may not always be available. In that case Management uses the best relevant information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date

**(g) Classification of assets and liabilities into current and non-current**

The Management classifies assets and liabilities into current and non-current categories based on its operating cycle.



**Note 1 : NON CURRENT OTHER FINANCIAL ASSETS**

Particulars	(Amount in Rupees)	
	As at 31 March 2020	As at 31 March 2019
Bank Deposits with maturity of more than 12 months held as margin money	-	1,80,344.00
Interest accrued on deposits & others	-	1,996.30
<b>Total</b>	<b>-</b>	<b>1,82,340.30</b>

**Note - 2 : DEFERRED TAX ASSETS - NET**

The movement on the deferred tax account is as follows:

Particulars	(Amount in Rupees)	
	As at 31 March 2020	As at 31 March 2019
At the beginning of the year	-	-
Addition in balance at beginning of the year on implementation	-	14,69,901.84
Credit/ (Charge) to statement of profit and loss (refer note 20)	-	(14,69,901.84)
Adjustment in MAT Credit	-	-
Movement in MAT Credit	1,42,359.00	-
<b>At the end of the year</b>	<b>(1,42,359.00)</b>	<b>-</b>

**Note 3 : INVENTORIES**

Particulars	(Amount in Rupees)	
	As at 31 March 2020	As at 31 March 2019
Land	-	-
Complete Real Estate Projects	3,87,342.16	3,87,342.16
Project In Progress	76,895.91	76,895.90
<b>Total</b>	<b>34,60,266.34</b>	<b>81,78,571.01</b>
	<b>39,24,504.41</b>	<b>86,42,809.07</b>

**Note 4 : TRADE RECEIVABLES**

Particulars	(Amount in Rupees)	
	As at 31 March 2020	As at 31 March 2019
(Unsecured considered good unless stated otherwise)	-	-
Considered Good	4,45,483.11	4,27,460.37
<b>Total</b>	<b>4,45,483.11</b>	<b>4,27,460.37</b>

**Note 5 : CASH AND CASH EQUIVALENTS**

Particulars	(Amount in Rupees)	
	As at 31 March 2020	As at 31 March 2019
Balances With Banks:-	-	-
In Current Accounts	-	-
Cash on Hand	4,02,002.64	10,17,502.72
<b>Total</b>	<b>44,848.00</b>	<b>44,848.00</b>
	<b>4,46,850.64</b>	<b>10,62,350.72</b>

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Note 6 : OTHER BANK BALANCES

Particulars	(Amount in Rupees)	
	As at 31 March 2020	As at 31 March 2019
Held As Margin Money	1,80,344.00	-
<b>Total</b>	<b>1,80,344.00</b>	<b>-</b>

Note 7 : OTHER FINANCIAL ASSETS-CURRENT

Particulars	(Amount in Rupees)	
	As at 31 March 2020	As at 31 March 2019
<b>(Unsecured considered good unless otherwise stated)</b>		
<b>Advances Recoverable In Cash</b>		
-Holding Company	20,16,73,946.78	20,27,18,946.78
Interest Accrued on Deposits & Others	14,293.29	-
<b>Total</b>	<b>20,16,88,240.07</b>	<b>20,27,18,946.78</b>

Note - 7.1

Particulars in respect of advance recoverable in cash from holding company:

Name of Company	(Amount in Rupees)	
	As at 31 March 2020	As at 31 March 2019
Omaxe Limited	20,16,73,946.78	20,27,18,946.78
<b>Total</b>	<b>20,16,73,946.78</b>	<b>20,27,18,946.78</b>

Note 8 : OTHER CURRENT ASSETS

Particulars	(Amount in Rupees)	
	As at 31 March 2020	As at 31 March 2019
<b>(Unsecured considered good unless otherwise stated)</b>		
<b>Advance against goods, services and others</b>		
- Fellow Subsidiary company	7,81,771.00	-
- Others	-	1,33,123.00
Balance With Government / Statutory Authorities	4,99,755.43	4,62,711.80
<b>Total</b>	<b>12,81,526.43</b>	<b>5,95,834.80</b>

Note 8.1

Particulars	(Amount in Rupees)	
	As at 31 March 2020	As at 31 March 2019
Omaxe New Chandigarh Developers Private Limited	7,81,771.00	-
<b>Total</b>	<b>7,81,771.00</b>	<b>-</b>

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Note 9 : EQUITY SHARE CAPITAL

(Amount in Rupees)

Particulars	As at	
	31 March 2020	31 March 2019
<b>Authorised</b>		
70,00,000 (70,00,000) Equity Shares of Rs.10 Each	7,00,00,000.00	7,00,00,000.00
	<b>7,00,00,000.00</b>	<b>7,00,00,000.00</b>
<b>Issued, Subscribed &amp; Paid Up</b>		
46,29,000 (46,29,000) Equity Shares of Rs.10 Each fully paid up	4,62,90,000.00	4,62,90,000.00
<b>Total</b>	<b>4,62,90,000.00</b>	<b>4,62,90,000.00</b>

Note - 9.1

Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at		As at	
	31 March 2020		31 March 2019	
	Numbers	Amount in Rupees	Numbers	Amount in Rupees
Equity Shares of Rs. 10 each fully paid up				
Shares outstanding at the beginning of the year	46,29,000	4,62,90,000.00	46,29,000	4,62,90,000.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>46,29,000</b>	<b>4,62,90,000.00</b>	<b>46,29,000</b>	<b>4,62,90,000.00</b>

Note - 9.2

Terms/rights attached to shares

Equity

The company has only one class of equity shares having a par value of Rs 10/-per share. Each holder of equity shares is entitled to one vote per share.If new equity shares, issued by the company shall be ranked pari-passu with the existing equity shares. The company declares and pays dividend in Indian rupees. The dividend proposed if any by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any in proportion to the number of equity shares held by the share holders..

Note - 9.3

Shares held by holding company and subsidiaries of holding Company in aggregate

Name of Shareholder	As at		As at	
	31 March 2020		31 March 2019	
	Number of shares held	Amount in Rupees	Number of shares held	Amount in Rupees
Equity Shares				
Omaxe Limited	46,29,000	4,62,90,000.00	46,29,000	4,62,90,000.00

Note - 9.4

Detail of shareholders holding more than 5% shares in capital of the company

Equity Shares

Name of Shareholder	As at		As at	
	31 March 2020		31 March 2019	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Omaxe Limited	46,29,000	100.00	46,29,000	100.00

Note - 9.5

The company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash.The company has neither allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.



**Note 10 : NON CURRENT OTHER FINANCIAL LIABILITIES**

Particulars	(Amount in Rupees)	
	As at 31 March 2020	As at 31 March 2019
Security deposits received	44,49,335.98	44,09,885.98
Rebates Payable To Customers	8,86,79,297.60	8,86,01,201.67
<b>Total</b>	<b>9,31,28,633.58</b>	<b>9,30,11,087.65</b>

**Note 11 : CURRENT TRADE PAYABLES**

Particulars	(Amount in Rupees)	
	As at 31 March 2020	As at 31 March 2019
Total outstanding dues of micro enterprises and small enterprises :		
Other Trade Payables due to micro enterprises and small enterprises	-	-
<b>Total (A)</b>	<b>-</b>	<b>-</b>
<b>Total outstanding dues of creditors other than micro enterprises and Small enterprises</b>		
<b>Other Trade Payables</b>		
- Fellow subsidiary Companies	2,758.00	1,35,577.00
- Others	14,35,239.00	14,25,752.00
<b>Total (B)</b>	<b>14,37,997.00</b>	<b>15,61,329.00</b>
<b>Total(A+B)</b>	<b>14,37,997.00</b>	<b>15,61,329.00</b>

**Note - 11.1**

\* The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available.

Particulars	(Amount in Rupees)	
	As at 31 March 2020	As at 31 March 2019
Principal amount due to suppliers under MSMED Act, 2006	-	-
Interest accrued and due to supplier under MSMED Act, 2006 on above amount	-	-
Payment made to suppliers (other than interest) beyond appointed day during the year	-	-
Interest paid to suppliers under MSMED Act, 2006	-	-
Interest due and payable on payment made to suppliers beyond appointed date during the year	-	-
Interest accrued and remaining unpaid at the end of the accounting year	1,12,330.00	1,12,330.00
Interest charged to statement of profit and loss account during the year for the purpose of disallowance under section 23 of MSMED Act, 2006	-	-

**Note 12 : CURRENT OTHER FINANCIAL LIABILITIES**

Particulars	(Amount in Rupees)	
	As at 31 March 2020	As at 31 March 2019
Rebate payable	9,07,282.00	75,024.00
Interest on Trade Payables	1,12,330.00	1,12,330.00
Others payables	88,752.00	10,000.00
<b>Total</b>	<b>11,08,364.00</b>	<b>1,97,354.00</b>

**Note 13 : OTHER CURRENT LIABILITIES**

Particulars	(Amount in Rupees)	
	As at 31 March 2020	As at 31 March 2019
Statutory Dues Payable	16,252.00	-
Advance from customers & others:		
From Others	71,659.31	2,73,53,309.26
<b>Total</b>	<b>87,911.31</b>	<b>2,73,53,309.26</b>

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Note 14 : REVENUE FROM OPERATIONS

Particulars	(Amount in Rupees)	
	Year Ended 31 March 2020	Year Ended 31 March 2019
Income From Real Estate Projects	2,54,26,505.78	2,89,62,335.47
Other Operating Income	1,82,122.87	-
<b>Total</b>	<b>2,56,08,628.65</b>	<b>2,89,62,335.47</b>

Disaggregation of revenue is as below:-

Nature of Revenue	(Amount in Rupees)					
	Year Ended 31 March 2020			Year Ended 31 March 2019		
	Operating Revenue	Other Operating Revenue	Total	Operating Revenue	Other Operating Revenue	Total
Real Estate Projects	2,54,26,505.78	1,82,122.87	2,56,08,628.65	2,89,62,335.47	-	2,89,62,335.47
Other	-	-	-	-	-	-
<b>Total</b>	<b>2,54,26,505.78</b>	<b>1,82,122.87</b>	<b>2,56,08,628.65</b>	<b>2,89,62,335.47</b>	<b>-</b>	<b>2,89,62,335.47</b>

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, the Company has applied the practical expedient in Ind AS 115. The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is Rs.63,40,045.37 (Rs. 31,614,626.55 previous year) which is expected to be recognised as revenue in the subsequent years, however revenue to be recognised in next one year is not ascertainable due to nature of industry in which company is operating.

Particulars	(Amount in Rupees)	
	Year Ended 31 March 2020	Year Ended 31 March 2019
Advances at beginning of the year	2,73,53,309.26	10,16,82,068.04
Add: Increase in advances due to implementation of INDAS 115 w.e.f 01.04.2018	-	1,78,72,152.97
Add: Advances received during the year (net)	(16,73,021.30)	(6,32,38,576.28)
Less: Revenue recognised during the year	2,56,08,628.65	2,89,62,335.47
Advances at the end of the year	71,659.31	2,73,53,309.26

Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	(Amount in Rupees)	
	Year Ended 31 March 2020	Year Ended 31 March 2019
Contracted price	2,56,08,628.65	11,34,22,376.71
Reduction towards variable consideration components	-	8,44,60,041.24
Revenue recognized	2,56,08,628.65	2,89,62,335.47

Note 15 : OTHER INCOME

Particulars	(Amount in Rupees)	
	Year Ended 31 March 2020	Year Ended 31 March 2019
Interest Income	12,296.99	12,034.30
On bank deposits	130.00	1,852.00
Liabilities No Longer Required Written Back (Net)	2,004.64	8,282.40
Miscellaneous Income	14,431.63	22,168.70
<b>Total</b>	<b>14,431.63</b>	<b>22,168.70</b>

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Note 16 : COST OF MATERIAL CONSUMED, CONSTRUCTION & OTHER RELATED PROJECT COST

Particulars	(Amount in Rupees)	
	Year Ended 31 March 2020	Year Ended 31 March 2019
Inventory at the Beginning of The Year		
Land	3,87,342.16	3,87,342.16
<b>Add: Incurred During The Year</b>	<b>3,87,342.16</b>	<b>3,87,342.16</b>
Construction Cost	-	8,62,058.00
Rates and taxes	156.00	21,116.67
Administration expenses	5,071.98	1,15,933.48
Finance Cost	-	(38,138.00)
<b>Less: Inventory at the End of The Year</b>	<b>5,227.98</b>	<b>9,60,970.15</b>
Land	3,87,342.16	3,87,342.16
<b>Total</b>	<b>3,87,342.16</b>	<b>3,87,342.16</b>
	<b>5,227.98</b>	<b>9,60,970.15</b>

Note 17 : CHANGES IN INVENTORIES OF PROJECT IN PROGRESS

Particulars	(Amount in Rupees)	
	Year Ended 31 March 2020	Year Ended 31 March 2019
Inventory at the Beginning of the Year		
Completed real estate projects	76,895.90	-
Projects In Progress	81,78,571.01	2,34,12,650.80
	<b>82,55,466.91</b>	<b>2,34,12,650.80</b>
Inventory at the End of the Year		
Completed real estate projects	76,895.91	76,895.90
Projects In Progress	34,60,266.34	81,78,571.01
	<b>35,37,162.25</b>	<b>82,55,466.91</b>
<b>Changes In Inventory</b>	<b>47,18,304.66</b>	<b>1,51,57,183.89</b>

Note 18 : FINANCE COST

Particulars	(Amount in Rupees)	
	Year Ended 31 March 2020	Year Ended 31 March 2019
Interest On		
-Others	518.00	10,12,052.00
Bank Charges	11,706.00	8,885.00
	<b>12,224.00</b>	<b>10,20,937.00</b>
Less: Allocated to Projects	-	(38,138.00)
<b>Total</b>	<b>12,224.00</b>	<b>10,59,075.00</b>

Note 19 : OTHER EXPENSES

Particulars	(Amount in Rupees)	
	Year Ended 31 March 2020	Year Ended 31 March 2019
Administrative Expenses		
Short Term Lease	30,600.00	30,600.00
Rates And Taxes	6,071.98	(2,266.52)
Legal And Professional Charges	11,700.00	1,27,249.00
Printing And Stationery	-	16,200.00
Auditors' Remuneration	13,500.00	10,000.00
	<b>61,871.98</b>	<b>1,81,782.48</b>
Less: Allocated to Projects	5,071.98	1,15,933.48
	<b>56,800.00</b>	<b>65,849.00</b>
Selling Expenses		
Commission	1,33,123.00	14,00,000.00
	<b>1,33,123.00</b>	<b>14,00,000.00</b>
<b>Total</b>	<b>1,89,923.00</b>	<b>14,65,849.00</b>

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**Note 20 : INCOME TAX**

(Amount in Rupees)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>Tax expense comprises of:</b>		
Current income tax	54,24,278.00	14,07,778.00
Earlier years tax adjustments (net)	(87,335.62)	44,194.00
Deferred tax	1,42,359.00	14,69,901.84
	<b>54,79,301.38</b>	<b>29,21,873.84</b>

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.17% and the reported tax expense in statement of profit and loss are as follows:

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Accounting profit before tax	2,06,97,380.64	1,03,41,426.13
Applicable tax rate	25.17%	26.00%
Computed tax expense	52,09,531.00	26,88,771.00
<b>Tax Expenses comprises of:</b>		
Others	2,14,747.00	(12,80,993.00)
<b>Current Tax (A)</b>	<b>54,24,278.00</b>	<b>14,07,778.00</b>
<b>Earlier year tax adjustment (B)</b>	<b>(87,335.62)</b>	<b>44,194.00</b>
<b>Deferred Tax Provisions</b>		
Decrease in deferred tax assets on account of fair valuation of other income and other	1,42,359.00	14,69,901.84
<b>Total Deferred Tax Provisions (C)</b>	<b>1,42,359.00</b>	<b>14,69,901.84</b>
<b>Tax Expenses recognised in statement of Profit &amp; Loss(A+B+C)</b>	<b>54,79,301.38</b>	<b>29,21,873.84</b>
<b>Effective Tax Rate</b>	<b>26%</b>	<b>28%</b>

The Company has exercised the option to adopt lower tax rate as per the provisions/conditions defined in the newly inserted Section 115BAA in the Income Tax Act, 1961. Accordingly, the Company has recognised provision for current / deferred tax for the year ended 31st March 2020 and also re-measured its deferred tax assets at rates as prescribed in the said section. The adoption of lower tax rate has resulted in reversal of deferred tax assets by Rs 1,42,359

**Note 21 : EARNINGS PER SHARE**

(Amount in Rupees)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
Profit attributable to equity shareholders (Amount in Rupees)	1,52,18,079.26	74,19,552.29
Equity Shares outstanding (Number)	46,29,000	46,29,000
Weighted average number of equity shares	46,29,000	46,29,000
Nominal value per share	10.00	10.00
<b>Earnings per equity share</b>		
Basic	3.29	1.60
Diluted	3.29	1.60

**Note 22 : CONTINGENT LIABILITIES AND COMMITMENTS**

(Amount in Rupees)

Particulars	As at 31 March 2020	As at 31 March 2019
I Claims against the Company not acknowledged as debts (to the extent quantifiable)	1,20,000.00	4,70,000.00
II Corporate Guarantee given on behalf of holding Company	20,00,00,000.00	20,00,00,000.00
III The Company may be contingently liable to pay damages / interest in the process of execution of real estate and construction projects and for specific non-performance of certain agreements, the amount of which cannot presently be ascertained	Amount unascertainable	Amount unascertainable

Note no 23: Balances of trade receivable, trade payable, loan/ advances given and other financial and non financial assets and liabilities are subject to reconciliation and confirmation from respective parties. The balance of said trade receivable, trade payable, loan/ advances given and other financial and non financial assets and liabilities are taken as shown by the books of accounts. The ultimate outcome of such reconciliation and confirmation cannot presently be determined, therefore, no provision for any liability that may result out of such reconciliation and confirmation has been made in the financial statement, the financial impact of which is unascertainable due to the reasons as above stated.

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**Note 24 : LEASES**

Short term Lease payment debited to statement of Profit and Loss Account Rs 30,600/- Pertaining to short term lease arrangement for a period of less than one year.

**Note 25 : AUDITOR'S REMUNERATION**

(Amount in Rupees)

Particulars	As at 31 March 2020	As at 31 March 2019
Audit fees	10,000.00	10,000.00
Certification Charges	3,500.00	-
<b>Total</b>	<b>13,500.00</b>	<b>10,000.00</b>

**Note 26 : SEGMENT INFORMATION**

In line with the provisions of Ind AS 108 - Operating Segments and on the basis of review of operations being done by the management of the Company, the operations of the Company falls under real estate business, which is considered to be the only reportable segment by management.

(Amount in Rupees)

Revenue from operations	As at 31 March 2020	As at 31 March 2019
Within India	2,56,08,628.65	2,89,62,335.47
Outside India	-	-
<b>Total</b>	<b>2,56,08,628.65</b>	<b>2,89,62,335.47</b>

None of the non- current assets are held outside India.

Detail of Number of Customers having 10% or more of Company's total revenue are as under:

(Amount in Rupees)

Particular	Number of Customers	As at 31 March 2020	As at 31 March 2019
Customer represents 10% or more of total revenue	1	2,52,74,581.18	-



Note 27 : FAIR VALUE MEASUREMENTS

(i) Financial Assets by category

Particulars	Note	(Amount in Rupees)	
		As at 31 March 2020	As at 31 March 2019
<b>Financial Assets</b>			
<b>At Amortised Cost</b>			
<b>Non Current</b>			
Other Financial Assets	1	-	1,82,340.30
<b>Current</b>			
Trade Receivables	4	4,45,483.11	4,27,460.37
Cash & Cash Equivalents	5	4,46,850.64	10,62,350.72
Other Bank balances	6	1,80,344.00	-
Other Financial Assets	7	20,16,88,240.07	20,27,18,946.78
<b>Total Financial Assets</b>		<b>20,27,60,917.82</b>	<b>20,43,91,098.17</b>
<b>Financial Liabilities</b>			
<b>At Amortised Cost</b>			
<b>Non-current liabilities</b>			
Other Financial Liabilities	10	9,31,28,633.58	9,30,11,087.65
<b>Current Liabilities</b>			
Trade Payables	11	14,37,997.00	15,61,329.00
Other Financial Liabilities	12	11,08,364.00	1,97,354.00
<b>Total Financial Liabilities</b>		<b>9,56,74,994.58</b>	<b>9,47,69,770.65</b>

(ii) Fair value of financial assets and liabilities measured at amortised cost

Particulars	(Amount in Rupees)			
	As at 31 March 2020		As at 31 March 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
<b>Non Current</b>				
Other Financial Assets	-	-	1,82,340.30	1,82,340.30
<b>Current</b>				
Trade Receivables	4,45,483.11	4,45,483.11	4,27,460.37	4,27,460.37
Cash & Cash Equivalents	4,46,850.64	4,46,850.64	10,62,350.72	10,62,350.72
Other bank balances	1,80,344.00	1,80,344.00	-	-
Other Financial Assets	20,16,88,240.07	20,16,88,240.07	20,27,18,946.78	20,27,18,946.78
<b>Total Financial Assets</b>	<b>20,27,60,917.82</b>	<b>20,27,60,917.82</b>	<b>20,43,91,098.17</b>	<b>20,43,91,098.17</b>
<b>Financial Liabilities</b>				
<b>Non-current liabilities</b>				
Other Financial Liabilities	9,31,28,633.58	9,31,28,633.58	9,30,11,087.65	9,30,11,087.65
<b>Current Liabilities</b>				
Trade Payables	14,37,997.00	14,37,997.00	15,61,329.00	15,61,329.00
Other Financial Liabilities	11,08,364.00	11,08,364.00	1,97,354.00	1,97,354.00
<b>Total Financial Liabilities</b>	<b>9,56,74,994.58</b>	<b>9,56,74,994.58</b>	<b>9,47,69,770.65</b>	<b>9,47,69,770.65</b>

For short term financial assets and liabilities carried at amortized cost, the carrying value is reasonable approximation of fair value.



**Note 28 : RISK MANAGEMENT**

The Company's activities expose it to market risk, liquidity risk and credit risk. The management has the overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

**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 management**

*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 on financial reporting date  
 B: Moderate credit risk  
 C: High credit risk

The Company provides for expected credit loss based on the following:

Credit risk	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances and investment	12 month expected credit loss
Moderate credit risk	Trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

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 recognised in the statement of profit and loss.

Credit rating	Particulars	(Amount in Rupees)	
		As at 31 March 2020	As at 31 March 2019
A: Low credit risk	Cash and cash equivalents and other bank balances	6,27,194.64	10,62,350.72
B: Moderate credit risk	Trade receivables and other financial assets	20,21,33,723.18	20,33,28,747.45

**Concentration of trade receivables**

Trade receivables consist of a large number of customers spread across various states in India with no significant concentration of credit risk. The company do not envisage any financial difficulties resulting in higher credit risk higher than usual credit term due to COVID 19 outbreak.

**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 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 tables below analyse the financial liabilities into relevant maturity pattern based on their contractual maturities.

Particulars	(Amount in Rupees)						Total	Carrying Amount
	Less than 1 year	1 - 2 years	2 - 3 years	3 - 6 years	More than 6 years			
<b>As at 31 March 2020</b>								
Trade Payables	14,37,997.00	-	-	-	-	14,37,997.00	14,37,997.00	
Other Financial Liabilities	11,08,364.00	9,31,28,633.58	-	-	-	9,42,36,997.58	9,42,36,997.58	
<b>Total</b>	<b>25,46,361.00</b>	<b>9,31,28,633.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,56,74,994.58</b>	<b>9,56,74,994.58</b>	
<b>As at 31 March 2019</b>								
Trade Payables	15,61,329.00	-	-	-	-	15,61,329.00	15,61,329.00	
Other Financial Liabilities	1,97,354.00	8,86,01,201.67	-	-	44,09,885.98	9,32,08,441.65	9,32,08,441.65	
<b>Total</b>	<b>17,58,683.00</b>	<b>8,86,01,201.67</b>	<b>-</b>	<b>-</b>	<b>44,09,885.98</b>	<b>9,47,69,770.65</b>	<b>9,47,69,770.65</b>	

**Note 29 : CAPITAL MANAGEMENT POLICIES**

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity plus its subordinated loan, less cash and cash equivalents as presented on the face of the statement of financial position and cash flow hedges recognised in other comprehensive income.



30. Related parties disclosures

A. Name of related parties:-

(i) Ultimate Holding Company

1. Guild Builders Private Limited

(ii) Holding Company

1. Omaxe Limited

(iii) Fellow Subsidiary companies

1. Jagdamba Contractors and Builders Limited

2. Omaxe New Chandigarh Developers Private Limited

(B) TRANSACTION DURING THE YEAR WITH RELATED PARTIES :

(Amount in Rupees)

S.No.	Nature of Transactions	Year ended	Holding Company/ Fellow Subsidiaries	Total
1	Construction Cost	31-Mar-20	-	-
		31-Mar-19	1,16,877.00	1,16,877.00
2	Project management services charges	31-Mar-20	-	-
		31-Mar-19	1,20,000.00	1,20,000.00

(Amount in Rupees)

S.No.	Nature of Transactions	Year ended	Holding Company/ Fellow Subsidiaries	Total
Balances as at 31st march, 2020				
1	Loans & advances recoverable	31-Mar-20	20,24,55,717.78	20,24,55,717.78
		31-Mar-19	20,27,18,946.78	20,27,18,946.78
2	Trade payables	31-Mar-20	2,758.00	2,758.00
		31-Mar-19	1,35,577.00	1,35,577.00

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**Note 31:** The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The management of the Company have made its own assessment of impact of the outbreak of COVID-19 on business operations of the Company and have concluded that no adjustments are required to be made in the financial statement as it does not impact current financial year. However, the situation with COVID-19 is still evolving. Also the various preventive measures taken by Government of India are still in force leading to highly uncertain economic environment. Due to these circumstances, the management's assessment of the impact on the subsequent period is dependent upon the circumstances as they evolve. The Company continues to monitor the impact of COVID-19 on its business including its impact on customer, associates, contractors, vendors etc.

**Note 32: STANDARDS ISSUED BUT NOT YET EFFECTIVE**

The Ministry of Corporate Affairs (MCA) notifies new Indian Accounting Standard or amendment there to. There is no such notification which would have been made applicable from 01.04.2020.

**Note 33:** The Previous year figures have been regrouped/ reclassified, wherever necessary, to make them comparable with current year figures

The notes referred to above form an integral part of financial statements.

As per our audit report of even date attached

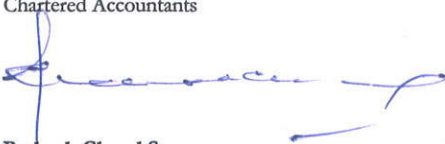
For and on behalf of

For and on behalf of board of directors

**B S D & Co.**

(Regn. No. -000312S)

Chartered Accountants



**Prakash Chand Surana**

Partner

M.No. 010276



**Jitender Goyal**

(Director)

DIN:00173841



**Alok Kumar Pandey**

(Director)

DIN: 06831121

UDIN: 20010276AAAAEC98574

Place: New Delhi

Date: 25 JUL 2020