



INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Royal Arc Infrastructure Private Limited,
Mumbai.

Report on the audit of the financial statements

We have audited the accompanying financial statements of Royal Arc Infrastructure Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Opinion

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 ('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 and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing (SA's) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.



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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 statements

The Company's 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are



considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. 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 the Companies (Auditor's Report) Order, 2016 ("the Order") issued by Central Government of India in terms of section 143 (11) of the Companies Act, 2013("the Act"), we give in the Annexure hereto a statement on the matters specified in Paragraphs 3 and 4 of the said Order.

2. As required by Section 143 (3) of the Act, we report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with Accounting Standards notified under the 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 March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) The provisions with respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls as required by the Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act') are not applicable to the company and
- (g) With respect to the other matters to be included in the Auditors' 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 is not having any pending litigation cases going on which have impact in its financial statements as of March 31, 2021;
- II) In our opinion and as per the information and explanations provided to us, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- III) There is no amount which is required to be transferred, to the Investor Education and Protection Fund by the Company.

PLACE :- AHMEDABAD

DATE :- 30/11/2021

FOR, Bagadiya & Jain

CHARTERED ACCOUNTANTS

FRN: 128719W



R. M. Bagadiya

RISHIT M BAGADIYA

PARTNER

M. No. 123327

UDIN : 22123327APPJWN5452

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements'
section of our report of even date)

01. a) The Company has maintained proper records of fixed assets showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

b) The Company has a phased program of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. In accordance with such program, certain fixed assets were physically verified by management during the year and no material discrepancies were noticed on such verification.

c) According to the information and explanations gives to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of company.
02. As explained to us, the management at reasonable intervals during the year has physically verified the stocks of inventories. As explained to us, no material discrepancies were noticed on physical verification of the inventories. In our opinion, the frequency of such verification is reasonable having regard to the size of the company and the nature of its business.
03. The company has not granted any loans, secured or unsecured to any companies, firms, limited liability partnerships or other parties covered in the register maintained u/s. 189 of the Companies Act, 2013. So, opinion regarding terms and conditions of grant of such loans, schedule of repayment of principal and payment of interest, rate of interest and other conditions would not apply.
04. In our opinion, and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
05. In our opinion, and according to the information and explanations given to us during the course of audit, the company has not accepted deposits during the year and does not have any unclaimed deposits. Therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
06. According to the information and explanation given to us, the Central Government has not prescribed for maintenance of cost records u/s 148(1) of the Companies Act, 2013 for any of the products of the company.



07. As informed to us, according to the records of the company there are no undisputed statutory dues payable in respect of provident fund, employees state insurance, Investor education and protection fund, Income Tax, Sales Tax, Custom duty, Service Tax, Excise duty, GST, FBT and cess which are outstanding as at 31.03.2021 for a period of more than six months from the date they become payable. The company has not deposited undisputed dues on account of Professional Tax as below:

Financial Year	Type of Due	Amount (Rs.)
2013-14	Professional Tax	9250
2014-15	Professional Tax	14,150
2015-16	Professional Tax	13,175
2016-17	Professional Tax	32,575
2017-18	Professional Tax	37,400
2018-19	Professional Tax	18,000
2019-20	Professional Tax	6,000
2020-21	Professional Tax	400
Total		1,30,950

According to the information and explanations given to us, there are no statutory dues which have not been deposited on account of any dispute.

08. Based on the examination of the books of accounts and related records and according to the information and explanation provided to us, the company has not defaulted in repayment of dues to the bank and financial institutions during the year.
09. The Company has not raised moneys by way of initial public offer, further public offer (including debt instruments). However, term loans obtained were prima facie, applied by the Company during the year for the purpose for which they were raised.
10. According to the information and explanation given to us, no fraud by the company and no material fraud on the company by its officers or employees has been noticed or reported during the year..



11. The company is a private company and hence the provisions of Section 197 of the Companies Act, 2013 do not apply to the company.
12. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
13. The Company is a private company and hence the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company. According to the information and explanation given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 188 of the act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examinations of the records of the company, the company has not made preferential allotment of equity shares.
15. 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.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

PLACE: - AHMEDABAD

DATE:- 30/11/2021

FOR, Bagadiya & Inis

CHARTERED ACCOUNTANTS

FRN: 128719W



R. M. Bagadiya

RISHIT M BAGADIYA

PARTNER

M. No. 123327

UDIN : 22123327 APPJWN 5452

ROYAL ARC INFRASTRUCTURE PRIVATE LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2021

NOTE 1

Significant Accounting Policies

1 Basis of Accounting: -

The financial statements have been prepared in conformity with the generally accepted accounting principles to comply in all material respects with the notified Accounting Standards (AS) under Companies Act, 2013 and the relevant provisions of the Companies Act 2013("the Act"). The financial statements have been prepared under the historical cost convention, on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2 Use of Estimates:-

The preparation of the financial statements is in conformity with the generally accepted accounting principles which require the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting periods. These estimates are based upon the management's best knowledge of current events and actions. Future results could differ from these estimates. Significant estimates used by the management in the preparation of these financial statements include the percentage completion for projects in progress, provisions for bad and doubtful debts and accruals for employee benefits.

3 Fixed Assets :-

Fixed assets are accounted at the cost of acquisition or construction. They are stated at historical cost less accumulated depreciation. Cost includes purchase price and all other attributable costs of bringing the assets to working condition for intended use.

4 Depreciation :-

- i. All tangible & intangible fixed assets are stated at historical cost of acquisition or construction (less Cenvat credit received / receivable) including all incidental cost of acquisition, less accumulated depreciation / amortization.
- ii. Depreciation is provided under straight-line method so as to write-off the cost of the assets over its useful life as prescribed in Schedule II of the Companies Act, 2013.



ROYAL ARC INFRASTRUCTURE PRIVATE LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2021

iii. Projects under commissioning and other Capital Work in Progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

iv. Pre-operative Expenses including trial run expenses (net of revenue) are capitalized.

5 Investments :-

Investments are accounted at cost of acquisition. Provision for diminution is made for permanent diminution, if any, in the value of long-term investments.

6 Intangible Assets :

Expenditure on regulatory approval for Licenses for Sale of Goods in foreign countries is recognized as an intangible asset and the same is amortized over a period of five years.

7 Inventories :-

Inventory comprises of stock of raw materials, completed properties for sale and properties under construction (Work in Progress). Work In Progress comprises cost of land, development rights, TDR, construction and development cost, cost of material, services and other overheads related to projects under construction. Inventory is valued at cost or net realizable value, whichever is lower.

8 Recognition of Income and Expenditure :-

- i) Revenue from real estate developments is recognised on the 'Percentage of Completion Method' of accounting. Revenue is recognized, in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon including land as against the total estimated cost of the project under execution subject to construction costs being 25% or more of the total estimated cost. The estimates of saleable area and costs are revised periodically by the management. The effect of such changes to estimates is recognised in the period such changes are determined.

In accordance with Revised Guidance Note issued by the Institute of Chartered Accountants of India (ICAI), on 'Accounting for Real Estate Transactions (Revised 2012)', revenue recognition for all real estate projects commencing on or after 1 April, 2012 or where the revenue is recognised for the first time on or after 1 April, 2012, revenue is recognised on percentage of completion method if (a) actual construction and development cost (excluding land cost) incurred is 25% or more of the estimated



ROYAL ARC INFRASTRUCTURE PRIVATE LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2021

cost, (b) At least 25% of the saleable project area is secured by contracts or agreements with buyers and (c) At least 10% of the total revenue as per sales agreement or any other legally enforceable document are realised as at the reporting date.

- ii) Revenue from sale of land is recognised when the agreement to sell is executed resulting in transfer of all significant risk and rewards of ownership and possession is handed over to the buyer.

9 Cost of Construction / Development:

Cost of Construction/Development (including cost of land) incurred is charged to the statement of profit and loss proportionate to project area sold. Costs incurred for projects which have not achieved reasonable level of development is carried over as construction work-in-progress.

10 Employee Benefits:-

Short Term Employee Benefits: - All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognized in the Profit and Loss Account as an expense at the undiscounted amount on an accrual basis.

11 Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are considered as part of the cost of that asset. Other borrowing costs are recognized as an expense in the year in which they are incurred.

12 Taxes on Income :-

Income tax provision comprises current tax provision and deferred tax provision.

Current tax provision is made annually based on the tax liability computed after considering tax allowances and deductions. Deferred tax is recognised on timing difference between the accounting income and the taxable income for the years that originate in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable that sufficient future taxable income will be available against which such deferred tax assets can be realised. In respect of carry forward losses, deferred tax



ROYAL ARC INFRASTRUCTURE PRIVATE LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2021

assets are recognised only to the extent there is virtual certainty that sufficient future taxable income will be available against which such losses can be set off.

13 Provisions and Contingencies: -

Provision is recognised when an enterprise has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the Balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimate. Contingent Liabilities are disclosed when the company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognised nor disclosed. Provision is made for all known liabilities. Contingent Liabilities, if any, are disclosed in accounts by way of a note.

14 Impairment Loss: -

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered impairment loss. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset 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 recognised in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

15 Government Grants/ Subsidy

Government Grants / Subsidy related to specific fixed assets are disclosed as a deduction from the value of the concerned assets. Grants / subsidy related to revenue are credited to the Profit & Loss Account on receipt basis. Grant / Subsidy in nature of promoters' contribution are treated as Capital Reserve.



ROYAL ARC INFRASTRUCTURE PVT. LTD.

Balance Sheet as at 31st March, 2021

		(Amount in Rs)	
Particulars	Note No.	As At March 31, 2021	As At March 31, 2020
A Equity and Liabilities			
1 Shareholders' funds			
(a) Share capital	2	1,00,000	1,00,000
(b) Reserves and surplus	3	1,78,13,526	1,43,98,606
		<u>1,79,13,526</u>	<u>1,44,98,606</u>
2 Non-current liabilities			
(a) Long-term borrowing	4	9,07,57,191	9,91,36,156
(b) Deferred tax liabilities (net)		62,715	64,853
		<u>9,08,19,906</u>	<u>9,92,01,009</u>
3 Current liabilities			
(a) Trade payables	5	13,13,700	13,94,583
(b) Other current liabilities	6	1,48,58,927	2,39,94,947
		<u>1,61,72,627</u>	<u>2,53,89,530</u>
Total		<u><u>12,49,06,059</u></u>	<u><u>13,90,89,145</u></u>
B Assets			
1 Non-current assets			
(a) Fixed assets	7		
(i) Tangible assets		9,45,352	10,70,429
		<u>9,45,352</u>	<u>10,70,429</u>
(b) Long term loans and advances	8	6,68,595	6,68,595
		<u>16,13,947</u>	<u>17,39,024</u>
2 Current assets			
(a) Inventories	9	10,03,22,720	11,02,10,189
(b) Trade receivables	10	95,63,220	1,07,96,998
(c) Cash and cash equivalents	11	17,12,047	47,75,611
(d) Short-term loans and advances	12	1,16,94,126	1,15,67,324
		<u>12,32,92,112</u>	<u>13,73,50,121</u>
Total		<u><u>12,49,06,059</u></u>	<u><u>13,90,89,145</u></u>

Significant accounting policies & Notes on Financial Statement

1 to 32

As per our report of even date

For Bagadia & Jain
Chartered Accountants
FRN : 128719W



Rishit M. Bagadia
Partner

M.No. : 123327

UDIN: 22123327APPJWN5452

Place: Ahmedabad

Date: 30/11/2021

For and on behalf of the Board of Directors
ROYAL ARC INFRASTRUCTURE PVT. LTD.

Bipin Sanghvi
Director

DIN No. 00462839

Kishore Shetty
Director

DIN No. 00462833

Place: Mumbai

Date: 30/11/2021

ROYAL ARC INFRASTRUCTURE PVT. LTD.

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

(Amount in Rs)

Particulars	Note No.	For the Year ended March 31, 2021	For the Year ended March 31, 2020
1 Revenue from operations (gross)	13	1,46,16,698	75,41,134
2 Other Income	14	-	2,21,316
3 Total Revenue		1,46,16,698	77,62,450
4 Expenses:			
(a) Purchase of stock in trade	15	3,75,081	7,30,075
(b) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	16	98,87,469	59,77,010
(c) Employee benefits expense	17	84,000	7,49,628
(d) Finance Cost	18	4,662	11,261
(e) Depreciation and amortization expense	19	1,25,077	1,21,987
(f) Other Expenses	20	7,27,626	17,08,982
Total Expenses		1,12,03,914	92,98,943
5 Profit / (Loss) Before Tax		34,12,784	(15,36,493)
6 Tax expense:			
(1) Current tax expense		-	-
Add/(Less): MAT Credit		-	-
Entitlement/(Reversal)		-	-
Net Provision for Tax		-	-
(2) Deferred tax		(2,138)	1,627
(3) Tax expense of earlier years w/off		-	(1,740)
7 Profit (Loss) For The Year (5-6)		34,14,922	(15,36,380)
Earnings per share (Equity Share par value INR 10 each)		341.49	(153.64)
Basic & Diluted:			

Significant accounting policies & Notes on Financial Statement

1 to 32

As per our report of even date

For Bagadiya & Jain,
Chartered Accountants
FRN : 128719W

Rishit M. Bagadia
Partner
M.No. : 123327

UDIN: 22123327APPTWN5452

Place: Ahmedabad
Date 30/11/2021

For and on behalf of the Board of Directors
ROYAL ARC INFRASTRUCTURE PVT. LTD.

Bipin Sanghvi
Director
DIN No. 00462839

Kishore Shetty
Director
DIN No. 00462833

Place: Mumbai
Date 30/11/2021

ROYAL ARC INFRASTRUCTURE PVT. LTD.

Notes forming part of the financial statements

(Amount in Rs)

Note 2 Share Capital	As at March 31, 2021		As at March 31, 2020	
	Number Of Shares	INR	Number Of Shares	INR
Authorised				
Equity Shares of INR 10/- each, with voting rights	50,000	5,00,000	50,000	5,00,000
	50,000	5,00,000	50,000	5,00,000
Issued, Subscribed and Fully Paid-Up				
Equity Shares of INR 10/- each, with voting rights	10,000	1,00,000	10,000	1,00,000
	10,000	1,00,000	10,000	1,00,000
Refer Notes (a) to (c) below				

Notes:

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Buy back	Other changes	Closing Balance
Equity shares with voting rights					
Year ended March 31, 2021					
- Number of shares	10,000	-	-	-	10,000
- Amount (INR 10/- Each)	1,00,000	-	-	-	1,00,000
Year ended March 31, 2020					
- Number of shares	10,000	-	-	-	10,000
- Amount (INR 10/- Each)	1,00,000	-	-	-	1,00,000

(b) Details of rights, preferences and restrictions attached to the shares issued:

The liability of the member is limited.

Right to dividend, Bonus on paripassu basis.

In the event of winding up after the creditors paid up whatever the remaining amount will be paid to equity share holders.

Right to receive notice of any general meeting and exercise the vote either by poll or on show of hands.

Right to receive the annual report of the company every year.

(c) Details of shares held by each share holder holding more than 5% Shares:

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares with voting rights				
BIPIN SANGHVI	4,900	49%	4,900	49%
KISHORE SHETTY	5,100	51%	5,100	51%



ROYAL ARC INFRASTRUCTURE PVT. LTD.**Notes forming part of the financial statements****(Amount in Rs)**

	As At March 31, 2021	As At March 31, 2020
Note 3		
Reserves and Surplus		
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	1,43,98,604	1,59,34,986
Add: Profit/(Loss) for the year	34,14,922	(15,36,380)
Closing Balance	1,78,13,526	1,43,98,606
Total	1,78,13,526	1,43,98,606
Note 4		
Long - term borrowings		
From others		
Unsecured	9,07,57,191	9,91,36,156
Total	9,07,57,191	9,91,36,156
Note 5		
Trade Payables		
Acceptances	13,13,700	13,94,583
Total	13,13,700	13,94,583
Note 6		
Other Current Liabilities		
Advance from Customers	86,52,000	87,11,957
Deposit	60,75,977	1,51,38,597
Statutory Remittances	1,30,950	1,44,393
Total	1,48,58,927	2,39,94,947

ROYAL ARC INFRASTRUCTURE PVT. LTD.

Notes forming part of the financial statements

Note 7: Fixed Assets

(Amount in Rs)

Particulars	Gross Block			Accumulated Depreciation				Net Block		
	Balance As At 1st April, 2020	Additions during the year	Deletions during the year	Balance As At 31st March, 2021	Balance As At 1st April, 2020	Depreciation charge for the year	Elimination On Disposal Of Assets	Balance As At 31st March, 2021	Balance As At 31st March, 2021	Balance As At 31st March, 2020
A. Tangible Assets										
Computers & Data Processing Units	19,300	-	-	19,300	19,300	-	-	19,300	-	-
Plant & Machinery	14,29,334	-	-	14,29,334	4,53,362	96,417	-	5,49,779	8,79,555	9,75,972
Mobile instruments	5,235	-	-	5,235	5,235	-	-	5,235	-	-
Office Equipment	67,800	-	-	67,800	38,362	6,604	-	44,966	22,834	29,438
Furniture & Fittings	2,25,000	-	-	2,25,000	1,59,981	22,056	-	1,82,037	42,963	65,019
Total - A	17,46,669	-	-	17,46,669	6,76,240	1,25,077	-	8,01,317	9,45,352	10,70,429
Previous Year	17,13,669	33,000	-	17,46,669	5,54,253	1,21,987	-	6,76,240	10,70,429	11,59,416
B. Capital Work in Progress	-	-	-	-	-	-	-	-	-	-
Grand Total	17,46,669	-	-	17,46,669	6,76,240	1,25,077	-	8,01,317	9,45,352	10,70,429
Previous Year	17,13,669	33,000	-	17,46,669	5,54,253	1,21,987	-	6,76,240	10,70,429	11,59,416

ROYAL ARC INFRASTRUCTURE PVT. LTD.

Notes forming part of the financial statements

(Amount in Rs)

	As At March 31, 2021	As At March 31, 2020
Note 8		
Long Term Loans and Advances		
Security Deposits		
Unsecured, considered good	6,68,595	6,68,595
Total	6,68,595	6,68,595
Note 9		
Inventory		
Stock in Trade :		
Finished Goods	10,03,22,720	11,02,10,189
Total	10,03,22,720	11,02,10,189
Note 10		
Trade Receivables		
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	20,86,641	91,86,087
	20,86,641	91,86,087
(b) Other Trade receivables		
Unsecured, considered good	74,76,579	16,10,911
	74,76,579	16,10,911
Total	95,63,220	1,07,96,998
Note 11		
Cash and cash equivalents		
Cash on hand	1,592	10,092
Balance with banks		
(a) Current accounts	17,10,455	42,32,058
(b) Fixed Deposit	-	5,33,460
Total	17,12,047	47,75,611

ROYAL ARC INFRASTRUCTURE PVT. LTD.

Notes forming part of the financial statements

(Amount in Rs)

	As At March 31, 2021	As At March 31, 2020
Note 12		
Short Term Loans & Advances		
(a) Advances to Suppliers		
Unsecured, considered good	1,14,93,329	1,13,66,526
(b) Balance with government authorities	2,00,797	2,00,797
Total	1,16,94,126	1,15,67,324



ROYAL ARC INFRASTRUCTURE PVT. LTD.**Notes forming part of the financial statements****(Amount in Rs)**

	As At March 31, 2021	As At March 31, 2020
Note 13		
Revenue from Operations		
Sales	1,45,75,198	75,41,134
Rent income	41,500	-
Total	1,46,16,698	75,41,134
Note 14		
Other Income		
Other Income	-	1,62,000
Interest Income	-	59,316
Total	-	2,21,316
Note 15		
Purchase of Stock in Trade		
Purchase of Products	-	34,000
Direct expenses	3,75,081	6,96,075
Total	3,75,081	7,30,075
Note 16		
Changes in inventory of finished goods		
Inventory at the end of the year		
Finished Goods	10,03,22,720	11,02,10,189
Inventory at the beginning of the year		
Finished Goods	11,02,10,189	11,61,87,199
Total	98,87,469	59,77,010

ROYAL ARC INFRASTRUCTURE PVT. LTD.**Notes forming part of the financial statements****(Amount in Rs)**

	As At March 31, 2021	As At March 31, 2020
Note 17		
Employee Benefits Expense		
Salaries, wages and Bonus	84,000	7,49,628
Total	84,000	7,49,628
Note 18		
Finance Cost		
Interest	2,192	2,550
Bank Charges	2,470	8,711
Total	4,662	11,261
Note 19		
Depreciation and amortization expense		
Depreciation	1,25,077	1,21,987
Total	1,25,077	1,21,987

ROYAL ARC INFRASTRUCTURE PVT. LTD.**Notes forming part of the financial statements****(Amount in Rs)**

	As At March 31, 2021	As At March 31, 2020
Note 20		
Other Expenses		
Audit fees		
- Statutory Audit	17,700	17,700
Accounting Charges	5,000	-
Advertisement Exp	-	5,700
Commission/Brokerage	25,000	-
Donation	-	11,502
Fines & Penalties	-	1,36,374
Legal & Professional	1,82,100	3,62,993
Misc Expenses	13,843	52,944
Office Expense	-	15,529
Postage & Courier	-	1,190
Printing & stationery	-	3,087
Repairs & maintenance	2,79,356	23,407
Site related expenses	-	10,78,556
Security Expense	2,04,627	-
		-
Total	7,27,626	17,08,982

ROYAL ARC INFRASTRUCTURE PRIVATE LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2021

- 21 Balance of Debtors, Creditors and Loans & Advances are subject to Confirmation and hence subject to adjustments, if any, arising out of reconciliation.
- 22 Where external evidence in the form of cash memos, bill, stamped receipts etc. were not available the internal vouchers have been prepared by the company and authorized by authorized signatory.
- 23 Management has initiated the process of identifying enterprises, which have provided goods and services to the company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA) and circularized the letters for this purpose. But The company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosures relating to amount unpaid as at the end of the year together with interest payable as required under the said act has not been furnished and provision for interest, if any, on delayed payment is not ascertainable at this stage. However in the opinion of the management it would not be material.
- 24 In the opinion of the Board of Directors, Current Assets and Loans and Advances have a value on realization in the ordinary course of business equal to the amount at which they are stated in the balance sheet.
- 25 No liability in respect of present liability or future payment of Gratuity has been ascertained and provided for in the books of accounts .(Previous Year - Not ascertained and provided for) This is in contravention to with the Accounting Standard 15 issued by the Institute of Chartered Accountants of India in respect of accounting for retirement benefits.
- 26 Earnings Per Share (AS 20):-

<u>Particulars</u>	<u>31.03.2021</u>	<u>31.03.2020</u>
Net Profit /(Loss)for the current year	34,14,922	(15,36,380)
Number of Equity Shares outstanding during the year	10,000	10,000
Nominal value of shares (Rs. per share)	10	10
Basic and diluted earnings per share (Rs.)	341.49	(153.64)

ROYAL ARC INFRASTRUCTURE PRIVATE LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2021

27 Deferred Taxes :-

As regards deferred tax as per Accounting Standard (AS-22) on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, there is a net deferred tax asset for the current year. Considering the provisions of the AS-22 and as a matter of prudence, the company has not recognized the said deferred tax asset while preparing the accounts for the year under review. The major components of deferred tax assets and liabilities on account of timing differences are as given below.

Particulars	31.03.2021	31.03.2020
Deferred tax (liabilities)/assets		
Difference in WDV as per income tax and book depreciation as on 31.03.2021	(2,49,185)	(2,57,680)
Net deferred tax (expense)/income during the year	2,138	(1,627)
Deferred tax (liabilities)/assets as on 31.03.2019	(62,715)	(64,853)

28 Related Party Disclosures:

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

A. Nature of Transactions:

Sr. No.	Nature of transactions	Key Management Personnel	Relative of Key Management personnel
1	Loan Taken	29,21,035	---
2	Loan Repaid	1,13,00,000	---
Balance at the end of the year			
1	Unsecured Loan	9,07,57,191	---

B. List of related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the related Party	Relationship
1.	Bipin Sanghvi	Key Management Personnel
2.	Kishor Shetty	Key Management Personnel

ROYAL ARC INFRASTRUCTURE PRIVATE LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2021


- 29 There were no employees in receipt of salaries of Rs. 60,00,000/- p.a. or more or Rs.5,00,000/- p.m. or more if employed for a part of the year.
- 30 The company has neither imported nor exported any goods or services and has not incurred any expenditure in foreign currency. Hence, the disclosure requirement regarding CIF Value of Imports, Expenditure in Foreign Currency and FOB Value of Exports are not applicable.
- 31 Details of Licensed and Installed Capacity are not applicable, hence not provided.
- 32 The previous year figures have been accordingly regrouped / re-classified to conform to the current year's classification.

Signature to Notes 1 to 32

As Per Our Report of Even Date Attached

For, Bagadiya & Jais
Chartered Accountants
FRN: 128719W

For, Royal Arc Infrastructure Pvt. Ltd.

R. A. Bagadiya


Rishit Bagadiya
Partner
M. No. 123327
UDIN: 22123327APPJWN5452

Bipin Sanghvi

Bipin Sanghvi
Director
DIN No. 00462839

Kishore Shetty

Kishore Shetty
Director
DIN No. 00462833

Place: Ahmedabad
Date: 30/11/2021

Place: Mumbai
Date: 30/11/2021