

**MALNAD PROJECT (I) PRIVATE LIMITED  
(FORMERLY KNOWN AS KUMAR HOUSING  
TOWNSHIP PRIVATE LIMITED)**

**ANNUAL REPORT  
FY 2022-23**

**MALNAD PROJECT (I) PRIVATE LIMITED**  
(Formerly known as **KUMAR HOUSING TOWNSHIP PRIVATE LIMITED**)

**CIN:** U45100PN2017PTC170130

Regd. Office: 2413, Kumar Capital East Street Camp, Pune - 411001

Email Id: [manjiri.h@kumarworld.com](mailto:manjiri.h@kumarworld.com) I Contact: +91-20-3052 8888

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**NOTICE**

Shorter Notice is hereby given that the 6<sup>th</sup> Annual General Meeting (AGM) of the Members of **MALNAD PROJECT (I) PRIVATE LIMITED** (Previously Kumar Housing Township Private Limited)(the "Company") will be held on **Saturday, 30<sup>th</sup> September, 2023** at **03:00 p.m.** at the Registered Office of the Company situated at 2413, Kumar Capital East Street, Camp, Pune - 411001 to transact the following businesses:

**ORDINARY BUSINESSES:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended **31<sup>st</sup> March, 2023**, together with the Reports of the Board of Directors and the Auditors thereon.

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By and on behalf of the Board of Directors

**For MALNAD PROJECT (I) PRIVATE LIMITED**

(Previously **Kumar Housing Township Private Limited**)

**SD/-**

**KOMAL JAGDALE**

**Company Secretary and Compliance Officer**

Date: 29<sup>th</sup> September, 2023

Place: Pune

**NOTES**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, INSTEAD OF HIMSELF / HERSELF / ITSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A COPY OF PROXY FORM HAS BEEN ENCLOSED HEREWITH.**
2. **THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE NOT LATER THAN 48HOURS BEFORE THE COMMENCEMENT OF THE AGM.**
3. A Member holding more than 10% of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such a person shall not act as proxy for any other person or Member.
4. Members/ proxies are requested to bring duly filled in Attendance Slip along with their copies of the AGM Notice and Annual Report of the Company to the AGM. Members / Proxies / Authorised Representatives should carry valid ID proof such as PAN, Voter ID, Passport, Driving License, Aadhar card etc. along with duly filled Attendance Slip enclosed herewith for attending the AGM.
5. Members are requested to update their email addresses, with the Company, to enable the Company to send communications electronically.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which Directors are interested, under Section 189 of the Act, will be available for inspection at the AGM.
7. All documents referred to in the accompanying Notice and Statement under Section 102 of the Act shall be open for inspection by Members, physically or in electronic form, at the Registered Office of the Company on all working days (except Sunday) between 09.00 a.m. and 05.00 p.m. up to the date of AGM. The aforesaid documents are also available for inspection at the AGM.
8. Members desiring any information relating to the financial statements of the Company are requested to write to the Company at an early date, so as to enable the Company to keep the information ready at the AGM.

**ATTENDANCE SLIP**

*(Please complete this attendance slip and hand it over at the entrance of the Hall)*

I hereby record my presence at the 6<sup>th</sup> AGM of the Members of **Malnad Project (I) Private Limited (Previously Kumar Housing Township Private Limited)** held on **Saturday, 30<sup>th</sup> September, 2023** at **03:00 p.m.** at the Registered Office of the Company situated at **2413, Kumar Capital East Street, Camp, Pune - 411001.**

Folio No:

Full Name of the Shareholder in Block Letters:

No. of Shares held :

Name of Proxy (if any) in Block Letters :

Signature of the Shareholder/Proxy\*

**Note:**

1. Please fill up the attendance slip and hand it over at the entrance of the Meeting hall.  
Only Member// Proxy Holder can attend the Meeting.

\* Strike out whichever is not applicable.

**FORM NO. MGT-11**

**PROXY FORM**

*[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]*

Name of the Member (s):
Registered Address:
Email Id:
Folio No./Client ID:
DP ID:

I/We, being the Member (s) of ..... shares of the above name Company, hereby appoint:

Name:
Address:
Email ID:
Signature:

Or failing him/her

Name:
Address:
Email ID:
Signature:

Or failing him/her

Name:
Address:
Email ID:
Signature:

**MALNAD PROJECT (I) PRIVATE LIMITED**  
(Formerly known as **KUMAR HOUSING TOWNSHIP PRIVATE LIMITED**)

**CIN:** U45100PN2017PTC170130

Regd. Office: 2413, Kumar Capital East Street Camp, Pune - 411001

Email Id: [manjiri.h@kumarworld.com](mailto:manjiri.h@kumarworld.com) I Contact: +91-20-3052 8888

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as my/our proxy to attend and vote for me/us and on my/our behalf at the 6<sup>th</sup> Annual General Meeting of the Company, to be held on **30<sup>th</sup> September, 2023** at **03:00 p.m.** at the Registered Office of the Company situated at **2413, Kumar Capital East Street, Camp, Pune – 411001** and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions
<b>ORDINARY BUSINESSES</b>	
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended <b>31<sup>st</sup> March, 2023</b> , together with the Reports of the Board of Directors and the Auditors thereon.

Signed this \_\_\_\_ day of \_\_\_\_\_ 2023

Affix  
Revenue  
Stamp

Signature of shareholder:

Signature of proxy holder (s):

## DIRECTORS' REPORT

To the Board Members,

Malnad Project (I) Private Limited (the "Company")  
(Previously Kumar Housing Township Private Limited)

The Board of Directors hereby presents the 6<sup>th</sup> Boards Report of the Company along with the Audited Financial Statements for the financial year ended **31<sup>st</sup> March, 2023**.

### FINANCIAL RESULTS:

The financial results of the Company for the year under review as compared to the previous year are as under:

(Rupees in Thousands)

Particulars	Financial Year	Financial Year
	2022-23	2021-22
Revenue from Operations	0	0
Other Income	79,636	1,55,775
<b>Total Income</b>	<b>79,636</b>	<b>155,775</b>
<b>Total Expenses</b>	<b>12,31,666</b>	<b>7,36,707</b>
<b>Profit before tax (PBT)</b>	<b>(3,08,697)</b>	<b>(3,38,868)</b>
<b>Tax expense</b>	<b>(2,28,280)</b>	<b>(2,60,093)</b>
<b>Profit / Loss for the year</b>	<b>(11,52,030)</b>	<b>(5,80,932)</b>
<b>Earnings per share of Rs. 10/- each</b>	<b>(855)</b>	<b>(424)</b>

The highlights of the Company's performance on as compared to the previous year are as under:

- The Company has nil revenue during the year under review. Furthermore the net losses of the company are decrease to Rs. 2,28,280 as compared to net loss of Rs. 2,60,093/-.

Your Directors are taking continuous efforts and are positive that in the foreseeable future the Company will begin its operations and achieve better results in the upcoming years.

#### **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

The Company has not changed its nature of business during the financial year 2022-23.

#### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY AFTER THE CLOSE OF FINANCIAL YEAR**

- The Board of Directors of the Company at their meeting held on 05<sup>th</sup> December, 2022 and the shareholders of the Company at the Extra ordinary General meetings held on 31<sup>st</sup> January, 2023 approved the proposed scheme of arrangement under section 233 of the Companies Act, 2013 for amalgamation of Malnad Projects Private Limited, wholly owned subsidiary into the Company with effect from 01<sup>st</sup> April, 2022, the appointed date. On completion of all the formalities of the merger of the above companies with the Company, the said merger became effective 01<sup>st</sup> April, 2022. Consequent to the amalgamation prescribed by the Scheme, all the assets and liabilities of transferor companies were transferred to and vested in the Company from the Appointed Date.

The amalgamation was accounted as per the merger scheme. Accordingly, all the assets, liabilities and other reserves of transferor companies were aggregated with those of the Company at their respective book values with effect from April 01, 2022 to give effect to the merger.

The scheme was approved by Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai on 23<sup>rd</sup> June, 2023 and became effective on 01<sup>st</sup> April, 2022.

- Furthermore, the Board of Directors of the Company at their meeting held on 05<sup>th</sup> July, 2023 and the shareholders of the Company at the Extra ordinary General meetings held on 05<sup>th</sup> July, 2023 approved the change of name of the Company from “**Kumar Housing Township Private Limited**” to “**Malnad Project (I) Private Limited**”.

#### **DIVIDEND**

In order to losses incurred in the Company, your Directors does not recommend any dividend for the financial year 2022-23.

#### **TRANSFER TO RESERVES**

During the financial year under review, no amount was proposed to be transferred to any reserves.

#### **DEPOSITS**

During the financial year, the Company has not invited, accepted or renewed any Fixed Deposit from public and accordingly the provisions of section 73 to 76 of Companies Act, 2013 is not applicable to the Company.

#### **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**



During the year under review M/s Malnad Projects Private Limited has ceased to be a subsidiary company vide merger order the Company and M/s Malnad Projects Private Limited received from the Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai dated 23<sup>rd</sup> June, 2023. The merger of the above companies became effective 01<sup>st</sup> April, 2022.

The Company does not have any Subsidiary, Associate/Joint venture at the end of financial year.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year, your Company has not advanced any loan, given any guarantee/ provided security or made investments, which fall under Section 186 of the Companies Act, 2013. The details of the same are provided under note no 9 of the Financial Statement.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions that were entered into by the Company during financial year were in the ordinary course of business and on arm's length basis. The details of such contracts or arrangement with its related party in form AOC-2 as prescribed under the companies act 2013 and rules framed there under are provided in "**Annexure I**" to this Report.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

##### **Composition of Board of Directors**

During the financial year under review, there was no change in composition of Board of Directors of the Company.

As on 31<sup>st</sup> March, 2023, the Board of Directors of the Company comprises of following two Directors:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Designation</b>
1.	Manish Jain	Director
2.	Yogesh Bhawe	Director

None of the Directors of the Company is liable to retire by rotation.

Further, being Private Limited Company, your Company does not require constituting any mandatory Committees of the Board.

**NUMBER OF MEETINGS OF THE BOARD**

During the year 13 (Thirteen) Board Meetings were convened and held.

**Board Meetings held during the Year**

<b>Sr. No.</b>	<b>Dates on which Board Meetings were held</b>	<b>Total Strength of the Board</b>	<b>No. of Directors present</b>
1.	30.05.2022	2	2
2.	10.06.2022	2	2
3.	12.08.2022	2	2
4.	29.08.2022	2	2
5.	01.09.2022	2	2
6.	14.09.2022	2	2
7.	30.09.2023	2	2
8.	10.11.2022	2	2
9.	05.12.2022	2	2
10.	27.12.2022	2	2
11.	30.01.2023	2	2
12.	08.02.2023	2	2
13.	14.02.2023	2	2

**DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) and(5) of the Act, your directors state as under:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with no material departures;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the Profit and Loss of the Company for that period;
- c. the Directors had taken proper and sufficient care for the 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 fraud and other irregularities;

- d. The Directors had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 of the Act relating Corporate Social Responsibility is not applicable to the Company for the financial year ended 31<sup>st</sup> March, 2023.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

There is nothing to be reported with respect to conservation of energy and technology absorption as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014.

**(Rs. In thousands)**

#	Particulars	FY 2022-23	FY2021-22
1	Foreign Exchange Earnings in terms of actual inflows	241	Nil
2	Foreign Exchange Outgo in terms of actual outflows	Nil	Nil

#### **RISK MANAGEMENT**

Your Company has put in place a mechanism to inform the Board about the risk assessment and minimization procedures and undertakes periodical review of the same to ensure that the risks are identified and controlled by means of a properly defined framework. In addition to this, constant monitoring of processes, analyzing of various parameters, credit risk management is also used to improve the risk management.

#### **INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has an adequate Internal Control System, commensurate with the size, scale and complexity of its operations. The internal control system is in place with respect to its financial statement which provides reasonable assurance regarding reliability of financial reporting and the preparation of financial statements. Procedures and controls reviewed periodically by the Management of the Company.

The Board is responsible for establishing and maintaining adequate internal financial control with reference to the financial statements of the Company as per section 134 of the Companies Act, 2013 read with Rule 8(5)(viii) of the Companies (Accounts) Rules, 2014.

The Board has laid down process designed by the company's principal executive and principal financial officers to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. 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

Internal Financial Controls have also been evaluated by the Statutory Auditors SPAK & Co., Chartered Accountants and forms part of this Annual Report.

## **AUDITORS**

M/s.SPAK and Co., Chartered Accountants, having Firm Registration Number (FRN: 139877W) have been appointed as the Statutory Auditors of the Company at its 5<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2022 till the conclusion of the 10<sup>th</sup> Annual General Meeting to be held in the calendar year 2027.

## **EXPLANATION TO AUDITOR'S REMARK**

The Auditors' Report does not contain any qualification, reservation or adverse remark for the financial year.

## **REPORTING OF FRAUDS BY THE AUDITORS**

During the financial year under review, the statutory auditors have not reported to Board, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officer or employees, the details of which needs to be mentioned in the Directors' report.

## **THE WEB ADDRESS, IF ANY, WHERE ANNUAL RETURN REFERRED TO IN SUB-SECTION (3) OF SECTION 92 HAS BEEN PLACED**

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies Management and Administration) Rules, 2014, the annual return is available on the website of the Company at the weblink mentioned below:

<http://kumarmagnacity.com/corporate-filings>

#### **VIGIL MECHANISM**

The Company does not accept public deposits and do not have borrowed money from banks and public financial institutions to that extent which mandates the Company to establish vigil mechanism.

#### **SECRETARIAL AUDIT**

The provisions of Secretarial Audit are currently not applicable to the Company and hence not attached to this report.

#### **DISCLOSURE OF THE MAINTENANCE OF COST RECORDS UNDER SECTION 148**

The maintenance of cost record as specified by Central Government as specified in section 148 of Companies Act, 2013 is not applicable.

#### **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has to the extent complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

During the year under review, there are no significant or material orders passed by the regulators or courts or tribunal, which may affect the going concern status of the Company and its operations.

#### **INTERNAL COMPLIANCE COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013**

In terms of section 22 of the Sexual Harassment of Women at work place (prevention, prohibition and redressal) act, 2013 read with Sexual Harassment of Women at work place (prevention, prohibition and redressal) rules, 2013, we report that there was no complaints received and no case was filed during the financial year ended on 31<sup>st</sup> March, 2023.

#### **DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)**

Your Company neither made any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year.

**THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

Your Company has not obtained any one time settlement of loan from the Banks or Financial Institutions.

**ACKNOWLEDGMENT**

Directors' wish to express their grateful appreciation to the continued co-operation received from the Banks, Financial Institutions, Government Authorities, Customers, Vendors and Shareholders during the year under review. Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff, and Workers of the Company.

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By and on behalf of the Board of Directors

**For MALNAD PROJECT (I) PRIVATE LIMITED**

(Previously **Kumar Housing Township Private Limited**)

**SD/-**

**Manish Vimalkumar Jain**

**Director | DIN: 00037571**

**SD/-**

**Yogesh Bhawe**

**Director | DIN: 03631534**

**Place:**Pune

**Date:**29.09.2023

**Form AOC-2**

**Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

**1. Details of Contracts or arrangements or transactions not at arm's length basis:**

**There were no contracts or arrangements or transactions entered into during the year ended on 31<sup>st</sup> March, 2022 which were not at arm's length basis.**

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

**(Rupees in Thousands)**

<b>Name(s) of the related party and nature of relationship:</b>	<b>Nature of contracts/arrangements/ transactions</b>	<b>Duration of the contracts / arrangements /transactions</b>	<b>Salient terms of the contracts or arrangements or transactions including the value, if any:</b>	<b>Date(s) of approval by the Board, if any:</b>	<b>Amount paid as advance, if any:</b>
Mr. Manish Jain-  Director of the Company	Trade Advance given to Director	NA	Nil	NA	Rs. 59,496/-
Kumar Properties and Housing Development Private Limited :-  Company with a common Director	Trade Advance given	NA	Nil	NA	Rs. 68,860/-

By and on behalf of the Board of Directors  
**For MALNAD PROJECT (I) PRIVATE LIMITED**  
 (Previously **Kumar Housing Township Private Limited**)

**SD/-**  
**Manish Vimalkumar Jain**  
**Director|DIN: 00037571**

**SD/-**  
**Yogesh Bhawe**  
**Director | DIN: 03631534**

**Place:** Pune  
**Date:** 29.09.2023

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Malnad Project (I) Private Limited**

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

### **Opinion**

We have audited the financial statements of **Malnad Project (I) Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss for the year then ended, Cash Flow and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit/loss for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters are addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our professional judgement no matter qualifies as key audit matter, thus we have not reported any matter.



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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) 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, 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. Thus, 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.

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

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the 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 31st March, 2023 taken on record by the Board of Directors, none of the directors is

disqualified as on 31st March, 2023 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, reporting on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act"), refer to our separate Report in **"Annexure B"**.

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

- (a) The Company does not have any pending litigations which would impact its financial position as on 31<sup>st</sup> March 2023.
- (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditor's) Rules, 2014 contain any material mis-statement.
- (e) The Company has not declared or paid dividend during the year.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the company did not paid remuneration to its directors during the current year.

**For SPAK & CO**  
**Chartered Accountants**  
**F.R.N.: 139877W**

**Shivraj Patil**  
**Partner**  
**Membership No: 138320**  
**Place: Pune**  
**Date: August 17, 2023**  
**UDIN : 23138320BGULWT2506**

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

### **COMPANIES (AUDITOR'S REPORT) ORDER, 2020**

With reference to the **Annexure A** referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2023, we report the following:

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has a regular practice of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this practice, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties are held in the name of the company.
- (d) According to the information and explanations given by the management the company has not revalued any Property, Plant and Equipment (including Right of Use assets) during the year.
- (e) According to the information and explanations given by the management there are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) The company has raised or sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks/financial institutions on the basis of security of current assets, thus reporting under this clause is not applicable.
- (iii) (a) According to the information and explanations given to us, the Company has granted Unsecured loans to its associate company, thus reporting is as under:
  - Based on the audit procedure carried out by us and as per the information and explanation provided by the management, the company has provided unsecured loans to its associate company

(Rs. In thousand)

Particulars	Loans
Aggregate amount during the year - Associate	68,860
Balance outstanding as at balance sheet date - Associate	27,290

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made, guarantees provided are, prima facie, not prejudicial to the interest of the Company.;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and interest has not been stipulated; however, these were not due during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans repayable on demand. However, the Company has granted unsecured loans to its Associate Company without specifying any terms or period of repayment as referred in clause iii(a).
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security to which provisions of Sections 185 of the Companies Act, 2013 apply. According to the information and explanations given to us, the provisions of Section 186 of the Act in respect of the loans and guarantees given and securities provided are not applicable to the Company, since the Company is engaged in the business of construction.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the directives issued by the Reserve Bank of India and the provision of section 73 to 76 of the Companies Act, 2013 and the rules framed there under, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the goods sold

and services rendered by the Company. Accordingly, clause 3(vi) of the Order is not applicable.

- (vii) (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and services tax, duty of customs, duty of excise, value added tax, and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2023 for a period of more than six months from the date of becoming payable, ibid minor delays in payment of PF, ESIC, TDS.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no disputed amounts are payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income Tax, Duty of Customs or Cess or other statutory dues.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks or financial institution or dues to debenture holders. The Company did not have any outstanding loans or borrowings due in respect of government during the year except the following:

(Rs. In thousand)	
Particulars	Amount
Secured Non-Convertible Debentures (NCDs)	40,00,000
Interest accrued but not due	12,10,496
Unsecured Non-Convertible Debentures (NCDs)	4,90,000
Interest accrued but not due	2,83,151
<b>Total</b>	<b>59,83,647</b>

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, no term loans were availed during the year.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the

Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x)(a) As reported the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year, thus reporting under this clause is not applicable.
- (b) In our opinion, according to the information & explanation provided to us. The company has made private placement of Non-Convertible Debentures during the year and the requirements of section 42 of the Companies Act, 2013 are duly complied with.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (b) Auditor has not filed the ADT-4 during the year. Hence, no disclosure is required for the clause.
- (c) Based upon the audit procedures performed we report that no whistle blower complaint has been registered by company during the year (and upto the date of this report).
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause xii of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv)(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) As internal audit is not applicable to the company, reporting under this clause not applicable.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act.
- (xvi) (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company and



company has also not entered into NBFC or financial institution transaction during the year.

- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
  - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
  - (d) As the company is not Core Investment Company, reporting under this clause is not applicable.
- (xvii) The Company has incurred cash loss of Rs. 8,61,160/- in the current financial year and has incurred cash loss of Rs. 4,27,927/- in immediately preceding year. (Rs. in thousand)
- (xviii) Company has not appointed the new auditor for current year, hence we can report that no resignation has been provided by the statutory auditor.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there were no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable and based on the records maintained.

**For SPAK & CO**  
**Chartered Accountants**  
**F.R.N.: 139877W**

**Shivraj Patil**  
**Partner**  
**Membership No: 138320**  
**Place: Pune**  
**Date: August 17, 2023**  
**UDIN : 23138320BGULWT2506**

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

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

We have audited the internal financial controls over financial reporting of **Malnad Project (I) Private Limited** ("the Company") as of 31 March 2023 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) 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.

#### **Inherent limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, 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 SPAK & CO**

**Chartered Accountants**

**F.R.N.: 139877W**

**Shivraj Patil**

**Partner**

**Membership No: 138320**

**Place: Pune**

**Date: August 17, 2023**

**UDIN : 23138320BGULWT2506**

**Malnad Project (I) Private Limited**  
**Formerly known as Kumar Housing Township Private Limited**  
**Registered Office : 2413, Kumar Capital East Street , Camp , Pune-411001**  
**CIN : U45100PN2017PTC170130**  
**Balance Sheet as at March 31, 2023**

(Rs. In Thousands)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>1 Non- current assets</b>			
(a) Property ,Plant and Equipment	3	2,466	1,339
(b) Capital work-in-progress	4	59,697	13,002
(c ) Right of use asset	5	5,699	-
(d) Financial assets			
(i) Other financial assets	8	7,146	6,808
(ii) Loans		-	-
(e) Deferred tax assets (net)		4,79,805	1,92,650
(f) Income tax assets (net)		5,940	-
		<b>5,60,753</b>	<b>2,13,799</b>
<b>2 Current assets</b>			
(a) Inventories	6	63,72,147	60,97,937
(b) Financial assets		-	-
(i) Trade receivables	7	13,095	13,095
(ii) Cash and cash equivalents	8	1,28,095	1,11,172
(iii) Bank balance other than (ii) above	8	-	34,70,000
(iv) Loans and advances	9	29,225	1,78,768
(c) Other current assets	10	36,971	37,271
		<b>65,79,533</b>	<b>99,08,243</b>
<b>Total assets</b>		<b>71,40,286</b>	<b>1,01,22,042</b>
<b>Equity and liabilities</b>			
<b>1 Equity</b>			
(a) Equity share capital	11	10,100	10,100
(B) Other equity	12	(13,03,955)	(4,40,570)
<b>Total equity</b>		<b>(12,93,855)</b>	<b>(4,30,470)</b>
<b>2 Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	59,83,647	46,63,016
(ii) Lease liabilities		5,138	-
(iii) Other financial liabilities	14	23,69,109	22,11,657
		<b>83,57,894</b>	<b>68,74,673</b>
<b>3 Current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities		1,088	-
(ii) Trade payables	15	-	-
- total outstanding dues from micro enterprises and small enterprises		22,599	9,398
- total outstanding dues from other than micro enterprises and small enterprises			
(b) Provisions	16	-	7,260
(c) Other current liabilities	17	52,560	36,61,181
<b>Total liabilities</b>		<b>76,247</b>	<b>36,77,839</b>
<b>Total equity and liabilities</b>		<b>71,40,286</b>	<b>1,01,22,042</b>
The accompanying notes are an integral part of the financial statements.	1-43		

As per our report of even date

**For S P A K & CO**

**Chartered Accountants**

**ICAI firm registration number:0139877W**

**For and on behalf of the board of directors of  
Malnad Project (I) Private Limited**

**SD/-**

**Shivraj Patil**

**Partner**

**Membership no.: 138320**

**UDIN : 23138320BGULWT2506**

**Place: Pune**

**Date: August 17, 2023**

**SD/-**

**Manish V Jain**

**Director**

**DIN:00037571**

**SD/-**

**Komal Jagdale**

**Company Secretary & Compliance Officer**

**SD/-**

**Yogesh Bhawe**

**Director**

**DIN: 03631534**

**Malnad Project (I) Private Limited**  
**Formerly known as Kumar Housing Township Private Limited**  
**Registered Office : 2413, Kumar Capital East Street , Camp , Pune-411001**  
**CIN : U45100PN2017PTC170130**  
**Profit and loss account for the year ended March 31, 2023**

(Rs. In Thousands)

	Particulars	Notes	1 April 2022 to 31 March 2023	1 April 2021 to 31 March 2022
<b>1</b>	<b>Income</b>			
	(a) Revenue from operations		-	-
	(b) Other income	18	79,636	1,55,775
	<b>Total Income (I)</b>		<b>79,636</b>	<b>1,55,775</b>
<b>2</b>	<b>Expenses</b>			
	(a) Cost of services, construction		-	-
	(b) Employee benefits expenses	19	330	-
	(c) Other expenses	21	76,572	63,433
	(d) Depreciation and amortisation expenses	3, 5	2,225	120
	(e) Finance costs	20	11,52,539	6,73,154
	<b>Total expenses (II)</b>		<b>12,31,666</b>	<b>7,36,707</b>
<b>3</b>	<b>Profit/(loss) before tax</b>		<b>(11,52,030)</b>	<b>(5,80,932)</b>
<b>4</b>	<b>Tax expenses /(credit)</b>			
	Current tax	22	-	22,117
	Deferred tax	22	(2,87,157)	(1,75,002)
	Tax in respect to earlier years	22	(1,488)	-
	<b>Total tax credit for the year</b>		<b>(2,88,645)</b>	<b>(1,52,885)</b>
<b>5</b>	<b>Profit/(loss) for the period</b>		<b>(8,63,385)</b>	<b>(4,28,048)</b>
<b>6</b>	<b>Total comprehensive Income/(loss) for the period/year</b>		<b>(8,63,385)</b>	<b>(4,28,048)</b>
<b>7</b>	<b>Earning per share (EPS) Face value of Rs 10/- each)</b>	23		
	-Basis (Rs)		(855)	(424)
	-Diluted (Rs)		(855)	(424)
	The accompanying notes are an integral part of the financial statements.	1-43		

As per our report of even date

**For S P A K & CO**

**Chartered Accountants**

**ICAI firm registration number:0139877W**

**For and on behalf of the board of directors of  
Malnad Project (I) Private Limited**

**SD/-**

**Shivraj Patil**

**Partner**

**Membership no.: 138320**

**UDIN : 23138320BGULWT2506**

**Place: Pune**

**Date: August 17, 2023**

**SD/-**

**Manish V Jain**

**Director**

**DIN:00037571**

**SD/-**

**Komal Jagdale**

**Company Secretary & Compliance Officer**

**SD/-**

**Yogesh Bhawe**

**Director**

**DIN: 03631534**

**Malnad Project (I) Private Limited**  
**Formerly known as Kumar Housing Township Private Limited**  
**2413, Kumar Capital East Street , Camp , Pune-411001**  
**CIN:U45100PN2017PTC170130**  
**Statement of cash flows for year ended March 31, 2023**

		(Rs. In Thousands)	
	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A</b>	<b>Cash flow from operating activities:</b>		
	Net profit(loss)/ before tax	(11,52,030]	(5,80,932]
	Adjustments for		
	Depreciation and amortisation expense	2,225	120
	Finance cost	11,52,539	6,73,154
	Interest income	(59,395]	(1,55,775]
	Gain on redemption of preferential shares	(20,000]	-
	Net foreign exchange difference	(241]	-
	<b>Operating profit before working capital changes</b>	<b>(76,902]</b>	<b>(63,433]</b>
	Adjustments for changes in working capital:		
	- (Increase) / decrease in loans and advances - non current and current	1,49,543	(13,768]
	- Decrease in other current assets	300	2,611
	- (Increase) in other financial assets - non current and current	(338]	(6,808]
	- (Increase) in inventories	(2,74,210]	(1,11,141]
	- Increase in trade payables	13,201	4,931
	- (Decrease)/increase in other current liabilities	37,198	(1,97,835]
	- (Decrease)/increase in provisions - non current and current	(285]	7,260
	<b>Cash generated used in operations</b>	<b>(1,51,493]</b>	<b>(3,78,184]</b>
	Income tax paid (net of refunds)	(11,427]	(22,116]
	<b>Net cash used in operating activities (A)</b>	<b>(1,62,920]</b>	<b>(4,00,300]</b>
<b>B</b>	<b>Cash flow from investing activities:</b>		
	Purchase of property, plant and equipments	(48,591]	(14,281]
	Proceed from redemption of bank deposits	34,70,000	-
	Acquisition of subsidiary (also refer note 10)	(37,03,057]	16,046
	Interest received	59,395	1,55,775
	<b>Net cash generated from / (used in) investing activities</b>	<b>(2,22,252]</b>	<b>1,57,540</b>
<b>C</b>	<b>Cash flow from financing activities:</b>		
	Payment of principal portion of lease liabilities	(928]	-
	Interest paid	(17,218]	-
	Proceeds from borrowings	5,00,000	2,49,862
	Repayment of borrowings	(79,759]	-
	<b>Net cash from / (used in) financing activities (C)</b>	<b>4,02,095</b>	<b>2,49,862</b>
	<b>Net Increase/ (decrease) in cash and cash equivalents,(A+B+C)</b>	<b>16,922</b>	<b>7,102</b>
	Cash and cash equivalents (opening balance)	1,11,172	1,03,600
	Cash and cash equivalents acquired on acquisition	-	471
	Cash and cash equivalents (closing balance)	1,28,095	1,11,172
	<b>Net Increase in cash and cash equivalents</b>	<b>16,922</b>	<b>7,102</b>

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

As per our report of even date

**For S P A K & CO**

**Chartered Accountants**

**ICAI firm registration number:0139877W**

**For and on behalf of the board of directors of  
Malnad Project (I) Private Limited**

**SD/-**

**Shivraj Patil**

**Partner**

**Membership no.: 138320**

**UDIN : 23138320BGULWT2506**

**SD/-**

**Manish V Jain**

**Director**

**DIN:00037571**

**SD/-**

**Yogesh Bhav**

**Director**

**DIN: 03631534**

**Place: Pune**

**Date: August 17, 2023**

**SD/-**

**Komal Jagdale**

**Company Secretary & Compliance Officer**

**Malnad Project (I) Private Limited**

Formerly known as Kumar Housing Township Private limited

Notes forming part of Financial Statement

**4 Capital work-in-progress**

(Rs. In thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital work-in-progress	59,697	13,002
<b>Total</b>	<b>59,697</b>	<b>13,002</b>

**5 Right of use asset**

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	-	-
Addition during the year	7,154	-
Less: Amortisation during the year	(1,455)	-
Right of use asset	5,699	-
<b>Total</b>	<b>5,699</b>	<b>-</b>

**6 Inventories**

Particulars	As at March 31, 2023	As at March 31, 2022
Work-in-progress	63,72,147	60,97,937
<b>Total</b>	<b>63,72,147</b>	<b>60,97,937</b>

**Malnad Project (I) Private Limited**

Formerly known as Kumar Housing Township Private limited

Notes forming part of Financial Statement

**8 Cash and cash equivalents**

(Rs. In thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Cash and cash equivalents</b>		
<b>Balances with banks:</b>		
On current account	13,385	1,11,107
Cash on hand	65	65
Fixed Deposit	1,14,645	
	<b>1,28,095</b>	<b>1,11,172</b>
<b>Other bank balances:</b>		
Deposits with maturity for more than 3 months but less than 12 months	-	34,70,000
Deposits with maturity for more than 12 months	7,146	6,808
	<b>7,146</b>	<b>34,76,808</b>
<b>Total</b>	<b>1,35,240</b>	<b>35,87,981</b>

**9 Loans and advances (Unsecured, considered good)**

Particulars	As at March 31, 2023	As at March 31, 2022
Advances recoverable in cash and kind	1,935	2,001
Other advances	-	79
Receivable from Kumar Prproperties & Housing Development Pvt. Ltd.	27,290	1,76,689
<b>Total</b>	<b>29,225</b>	<b>1,78,768</b>

**10 Other Current Assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Other receivables	3,070	3,370
CENVAT receivables- Balances with Govt Authorities	33,901	33,901
<b>Total</b>	<b>36,971</b>	<b>37,271</b>



**Malnad Project (I) Private Limited**

Formerly known as Kumar Housing Township Private limited

Notes forming part of Financial Statement

**7 Trade Receivables**

(Rs. In thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured)		
Considered good	13,095	13,095
Considered doubtful	-	-
	13,095	13,095
Less: Provision for doubtful trade receivables	-	-
<b>Total</b>	<b>13,095</b>	<b>13,095</b>

**Trade receivables ageing schedule**

As at March 31, 2023		Outstanding for following periods from the due date of payment					
Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	-	-	-	-	13,095	-	13,095
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-	-	-
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	<b>13,095</b>	-	<b>13,095</b>

As at March 31, 2022		Outstanding for following periods from the due date of payment					
Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	-	-	-	13,095	-	-	13,095
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – considered doubtful	-	-	-	-	-	-	-
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	<b>13,095</b>	-	-	<b>13,095</b>

**Malnad Project (I) Private Limited**

Formerly known as Kumar Housing Township Private limited

Notes forming part of Financial Statement

**11 Share Capital**

Particulars	(Rs. In thousands)	
	As at March 31, 2023	As at March 31, 2022
<b>Authorised shares</b>		
10,10,000 equity shares of Rs. 10 each	10,100	10,100
5,52,57,570 Equity Shares of Rs. 10 each (March 31, 2022 - Nil)	5,52,576	-
50,00,005 Senior Preference Shares of Rs. 10 each (March 31, 2022 - Nil)	-	50,000
42,42,425 Junior Preference Shares of Rs. 10 each (March 31, 2022 - Nil)	42,424	-
<b>Total</b>	<b>6,55,100</b>	<b>10,100</b>
<b>Issued Shares</b>		
10,10,000 equity shares of Rs.10 each	10,100	10,100
<b>Total</b>	<b>10,100</b>	<b>10,100</b>
<b>subscribed and fully paid-up shares</b>		
10,10,000 equity shares of Rs.10 each	10,100	10,100
<b>Total</b>	<b>10,100</b>	<b>10,100</b>

**A Reconciliation of shares outstanding at the begning and at the end of the year**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	10,10,100	10,100	10,10,100	10,100
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,10,100	10,100	10,10,100	10,100

**B Details of Shareholders holding more than 5% shares in Company.**

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Manish Vimalkumar Jain	10,09,999	99.99%	10,09,999	99.99%
<b>Total</b>	<b>10,09,999</b>	<b>99.99%</b>	<b>10,09,999</b>	<b>99.99%</b>

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**C Disclosure of shareholding of promoters:**

Promoter Name	No. of shares as at March 31, 2023	% of total shares	No. of shares as at Mar 31, 2022	% of total shares
Manish Vimalkumar Jain	10,09,999	99.99%	10,09,999	99.99%
<b>Total</b>	<b>10,09,999</b>	<b>99.99%</b>	<b>10,09,999</b>	<b>99.99%</b>

**Malnad Project (I) Private Limited**

Formerly known as Kumar Housing Township Private limited

Notes forming part of Financial Statement

**12 Other Equity**

(Rs. In thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(a) Surplus / (Deficit)</b>		
Opening balance	(4,40,570)	(12,522)
(+) Net Profit/(Net Loss) For the current year	(8,63,385)	(4,28,048)
Closing Balance	<b>(13,03,955)</b>	<b>(4,40,570)</b>
<b>Total</b>	<b>(13,03,955)</b>	<b>(4,40,570)</b>

**13 Non Current Borrowings**

Particulars	As at March 31, 2023	As at March 31, 2022
<b><u>Non-Convertible Debentures (NCDs)</u></b>		
<b>(Secured)</b>		
35,00,000 (March 31, 2021 :32,50,000) -Non-Convertible Debentures (NCD) of Rs.1000 each ( Note No. 13.1)	35,00,000	35,00,000
Interest accrued but not due	11,91,610	5,44,495
<b>(Unsecured)</b>		
4,90,000 (March 31, 2021 : 4,90,000) -Non-Convertible Debentures (NCD) of Rs.1000 each (Note No. 13.2)	4,90,000	4,90,000
Interest accrued but not due	2,83,151	1,28,521
<b>(Secured)</b>		
5,00,000 (March 31, 2021 : Nil) - Non-convertible Debentures (NCD) of Rs. 1000 each (Note No. 13.3)	5,00,000	-
Interest accrued but not due	18,886	-
<b>Total</b>	<b>59,83,647</b>	<b>46,63,016</b>

**Note No 13.1 Secured NCD :**

The non-interest bearing unlisted, secured, redeemable, non-convertible debentures of the Company of Face Value Rs. 1,000 each aggregating to Rs. 3,500,000 thousands as on March 31, 2023 are secured by way of charge on the identified project land, FSI in respect thereof, units to be constructed on the project land and all other rights incidental thereto and the receivables arising from the project and on all the bank accounts opened in relation to the project. The terms for payments of interest/repayment of principal will be as per the Debenture Trust Deed dated January 21, 2021 read together with first amendment agreement dated March 17, 2021, second amendment agreement dated August 27, 2021 and letter dated January 21, 2022. The debentures are non interest bearing. The NCDs are redeemable in 4 equal instalments commencing from 51st month from the disbursement along with redemption premium to be calculated @ 16% IRR.

**Malnad Project (I) Private Limited**

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Notes forming part of Financial Statement

**Note No 13.2 Unsecured NCD :**

The non-interest bearing rated, listed, redeemable, non-convertible debentures of the Company of face value Rs. 1,000 each aggregating to Rs. 490,000 thousands as on March 31, 2023 are unsecured. NCDs are redeemable at 25% IRR over principal. The NCDs were given credit rating of CARE B; Stable (Single B : Outlook Stable) [dated March 02, 2023] The terms for payments of interest/repayment of principal will be as per the Debenture Trust Deed dated March 15, 2021. The debentures are non interest bearing. The NCDs are redeemable on the 30th day from the occurrence of Redemption Event along with redemption premium to be calculated @ 25% IRR.

The debentures are considered as unsecured since they are strictly not adhering with certain conditions specified for issuing secured debentures under the Companies (Share Capital and Debentures) Rules, 2014.

**Note No. 13.3: Details of non convertible debentures issued:**

Tranche 1 of interest bearing unlisted, secured, guaranteed, redeemable, transferable non-convertible debentures of the Company of Face Value Rs. 1,000 each aggregating to Rs. 500,000 thousands as on March 31, 2023 are secured by way of charge on the identified project land, FSI in respect thereof, units to be constructed on the project land and all other rights incidental thereto and the receivables arising from the project.

The terms for payments of interest/repayment of principal will be as per the Debenture Trust Deed dated August 30, 2022. The debentures are issued at interest rate of 15% per annum compounded monthly and interest is to be paid on monthly basis at below mentioned rates-

- At 8% per annum from the date of disbursement upto the expiry of 6 month.
- At 10% per annum from the beginning of 7th month upto the expiry of 12th month.
- At 12% per annum from the beginning of 13th month upto the expiry of 18th month.
- At 15% per annum from the beginning of 19th month upto the redemption period.

Further, the NCDs are to be redeemed in six equal quarterly instalments from the end of 27th month to 42nd month from the date of disbursement.

**14 Other financial liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022
Bluebonnet Builders and Developers Pvt. Ltd.	20,54,419	22,11,657
Interest accrued but not due	3,14,690	-
<b>Total</b>	<b>23,69,109</b>	<b>22,11,657</b>

**Malnad Project (I) Private Limited**

Formerly known as Kumar Housing Township Private limited

Notes forming part of Financial Statement

**16 Provisions**

(Rs. In thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax provision (Net) - FY 2021-22	-	6,975
Salary Payable & Other	-	285
<b>Total</b>	<b>-</b>	<b>7,260</b>

**17 Other Current Laibilities**

Particulars	As at March 31, 2023	As at March 31, 2022
Total Environment Building Systems Pvt. Ltd.	182	35,46,000
Loan from Director	-	-
Other Laibilities	15,214	14,714
Advance received from customer	-	-
Statutory dues payable	37,164	467
0.001%, Series A, Non-Cumulative, Optionally Convertible, Redeemable Senior Preference Shares	-	1,00,000
Provision for Income Tax	-	-
Tax deducted at source payable:	36,374	411
ESIC Payable	1	1
Professional tax payable	5	7
Providend Fund Payable	69	47
GST Payable	716	-
<b>Total</b>	<b>52,560</b>	<b>36,61,181</b>

**Malnad Project (I) Private Limited**

Formerly known as Kumar Housing Township Private limited

Notes forming part of Financial Statement

**15 Trade Payables**

(Rs. In thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Trade Payables</b>		
(a) total outstanding dues of micro enterprises and small enterprises	-	-
(b) total outstanding dues of creditors other than micro enterprises and	22,599	9,398
<b>Total</b>	<b>22,599</b>	<b>9,398</b>

**Trade Payables ageing schedule****As at March 31, 2023**

Particulars	Outstanding for following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-
Disputed dues: MSME	-	-	-	-	-
Others	22,599	-	-	-	22,599
Disputed dues: Others	-	-	-	-	-
<b>Total</b>	<b>22,599</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,599</b>

**As at March 31, 2022**

Particulars	Outstanding for following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-
Disputed dues: MSME	-	-	-	-	-
Others	9,398	-	-	-	9,398
Disputed dues: Others	-	-	-	-	-
<b>Total</b>	<b>9,398</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,398</b>

**Malnad Project (I) Private Limited**  
Formerly known as Kumar Housing Township Private limited  
Notes forming part of financial statement

**18 Other Income**

(Rs. In thousands)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest on term deposits	59,395	1,55,573
Other Interest	-	202
Notional Gain on Redemption of OCPS	20,000	-
Foreign Redemption Gain received on OCPS	241	-
<b>Total</b>	<b>79,636</b>	<b>1,55,775</b>

**19 Employee benefits expense**

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Salary and wages	330	-
<b>Total</b>	<b>330</b>	<b>-</b>

**20 Finance Costs**

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Bank Charges	87	138
Interest on HCARE 1 debentures	6,47,115	5,44,495
Interest on Bluebonnet liability	3,49,656	-
Interest on Promoter NCDs	1,54,630	1,28,521
Interest on Lease Liability	1,052	-
-	-	-
<b>Total</b>	<b>11,52,539</b>	<b>6,73,154</b>

**21 Other Expenses**

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Rent Paid	-	1,580
Legal Expenses	3,208	32
Legal and professional fees	56,880	56,559
Office Expenses	2,341	151
Other expenses	3,432	1,431
Printing & Stationery	664	155
Advertisement	165	-
ROC Charges and Filing Fees	22	35
Stamp Duty Expenses	6,752	2,387
Travelling and conveyance	523	1,103
Facility Management Expenses	548	-
Electrical Charges	99	-
Housekeeping expenses	263	-
Security charges	847	-
CSR Expenses	828	-
<b>Total</b>	<b>76,572</b>	<b>63,433</b>

**Malnad Project (I) Private Limited**

Formerly known as Kumar Housing Township Private limited

Notes forming part of financial statement

**22 Taxes****(Rs. In thousands)**

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Total Taxes</b>		
A) Current year tax expenses	-	22,117
B) Previous year tax expenses	(1,488)	-
C) Deferred Tax Expenses	(2,87,157)	(1,75,002)
<b>Total</b>	<b>(2,88,645)</b>	<b>(1,52,885)</b>

**23 Earning per share****(Rs. In thousands)**

Particulars		For the Year ended March 31, 2023	For the Year ended March 31, 2022
Net profit after tax	A	(8,63,385)	(4,28,048)
Weighted average number equity shares (nos.)	B	10,10,000	10,10,000
<b>Basic and diluted earnings per share (Rs.)</b>	<b>C = A/B</b>	<b>(855)</b>	<b>(424)</b>



**Malnad Project (I) Private Limited**

Formerly known as Kumar Housing Township Private limited

Notes to the Financial Statements for the year ended March 31, 2023

**3 Property Plant & Equipment**

(Rs. in thousands)

Particulars	Computers	Office Equipments	Furniture and Fixtures	Total
<b>Gross block</b>				
As at 31 March 2022	677	42	1,460	<b>2,179</b>
Additions	1,226	661	9	<b>1,897</b>
Deductions	-	-	-	-
<b>As at 31 March 2023</b>	<b>1,904</b>	<b>703</b>	<b>1,469</b>	<b>4,076</b>
<b>Accumulated Depreciation</b>				
As at 31 March 2022	91	40	709	<b>840</b>
Charge for the FY 2022-23	556	18	196	<b>770</b>
Deductions	-	-	-	-
<b>As at 31 March 2023</b>	<b>647</b>	<b>58</b>	<b>905</b>	<b>1,610</b>
<b>Net Block</b>				
<b>As at March 31, 2023</b>	<b>1,257</b>	<b>645</b>	<b>564</b>	<b>2,466</b>
<b>As at March 31, 2022</b>	<b>587</b>	<b>2</b>	<b>750</b>	<b>1,339</b>
<b>Total Dep Charged FY 2022-2023</b>	<b>556</b>	<b>18</b>	<b>196</b>	<b>770</b>

**MALNAD PROJECT (I) PRIVATE LIMITED**  
(Formerly known as **KUMAR HOUSING TOWNSHIP PRIVATE LIMITED**)

**CIN: U45100PN2017PTC170130**

Regd. Office: 2413, Kumar Capital East Street Camp, Pune - 411001

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## **1. Corporate Information**

Malnad Project (I) Private Limited (formerly known as Kumar Housing Township Private Limited) was incorporated on April 26, 2017. The Company is primarily engaged in construction activity, license for building, operating infrastructural facilities, etc.

During the current year, Malnad Projects Private Limited being subsidiary amalgamated its business with M/s. Kumar Housing Township Private Limited vide Amalgamation Order No. RD/WR/Sec.233/Kumar Housing/AA1323814/2023/1549 dated 23rd June 2023 passed by Regional Director (Western Region) with a provision for transfer of all assets and liabilities vide Clause 4 of the said order. The said amalgamation was effected as on appointed date being April 01, 2022 and Malnad Projects Private Limited dissolved without following the process of winding up, pursuant to section 233(8) of the Companies Act, 2013.

The financial statements for the year ended March 31, 2023 were approved by the Board of Directors on August 17, 2023.

## **2. Basis of Preparation**

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under the section 133 of the Companies Act, 2013 ("the Act") and the relevant provisions and amendments, as applicable.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements have been prepared on the historical cost and accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

### **2.1 Summary of Significant accounting policies**

#### **a) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to the accounting estimates is recognized prospectively.

#### **b) Property Plant and Equipment**

Property plant and equipment are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

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When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss account as incurred.

**c) Depreciation**

Depreciation is provided using Written down value (WDV) method as per useful lives of the fixed assets estimated as per Schedule II of Companies Act, 2013. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of principal asset.

**d) Impairment of Assets**

The carrying amounts of fixed assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company makes a reasonable estimate of the value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided in the revised carrying amount of the assets over its remaining useful life.

**e) Borrowing Cost**

Borrowing costs relating to construction of qualifying assets are capitalized to the extent that the funds are borrowed and used for purpose of constructing a qualifying asset until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs which are not related to construction activities nor are incidental thereto are charged to the Profit and Loss account.

**f) Revenue recognition**

**Sale of Units:** The Company is recognizing the revenue from constructed properties on basis of Completion Method. The revenue is recognized as and when ownership interest is transferred to buyer.

**Interest:** Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Dividends:** Revenue is recognized when the shareholders' right to receive payment is established on the balance sheet date. Dividend from subsidiaries is recognized even if same are declared after the balance sheet date but pertains to period on or before the date of balance sheet.

**g) Accounting for Taxes on Income**

**MALNAD PROJECT (I) PRIVATE LIMITED**  
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Tax expense comprises of current and deferred tax. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

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 recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits.

At each balance sheet date, the Company reassesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**h) Employee benefits**

Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

**i) Earnings Per Share**

Basic earnings per equity share are being computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

**j) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Disclosures for Contingent Liability is made, without a provision in books, when there is an obligation that may, but probably will not, require outflow of resources.

Contingent Assets are neither recognized nor disclosed in the financial statements.

**k) Cash and Bank Balances**

**MALNAD PROJECT (I) PRIVATE LIMITED**  
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Cash and Bank Balances in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**l) Transactions in Foreign Currency**

Transactions in foreign currency are recorded at the rate of exchange in force on the date of the transactions. Current assets and Current liabilities in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resultant gain or loss are recognized in the Profit and Loss account.

**m) Segment Information**

**Business Segments:**

Based on similarity of activities/products, risk and reward structure, organization structure and internal reporting systems, the Company has structured its operations into one reportable businesssegment i.e. real estate development.

**Geographical Segments:**

The Company operates in the same geographical segment hence operations of the Company do not qualifyfor reporting as geographical segment according to the criteria set out under Ind AS 108 on Segment reporting.

**n) Inventories**

Land and Development rights	Land and development rights other than areas transferred to constructed properties at the commencement of construction are lower of cost and net realizable value. Costs include land acquisition cost and related development costs
Construction materials	Construction materials are valued at lower of cost and net realizable value.
Work in Progress	WIP is valued at lower of cost and net realizable value.
Completed unsold flats/units	Lower of cost or net realizable value.

**Note 24: Related Party Disclosure:**

**l) Names of related parties**

Name of related parties	Description of relationship
Kumar Properties and Housing Development Private Limited	Company in which key Managerial person is interested
Pegasus Properties Private Limited*	Company in which key Managerial person is interested(w.e.f. February 10, 2023)
Manish V Jain	Key Management Personnel (Director)

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**CIN:** U45100PN2017PTC170130

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Email Id: [manjiri.h@kumarworld.com](mailto:manjiri.h@kumarworld.com) I Contact: +91-20-3052 8888

Yogesh Y Bhav*	Key Management Personnel (Director)
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\*No transactions during the period

**II) Name of related parties where control exists and whether transactions have occurred.**

Individuals	1) Manish Vimalkumar Jain
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**III) Transactions with related parties during the year:**

(Rs. In thousands)

Particulars	2022-23 Amount (Rs.)	2021-22 Amount (Rs.)
<b>Manish Vimalkumar Jain</b>		
Issue of Non-convertible debentures	Nil	Nil
Balances Outstanding as on balance sheet date.	4,90,000	4,90,000
Trade Advance Given	59,496	Nil
Trade advances returned	59,496	Nil
<b>Kumar Properties and Housing Development Private Limited</b>		
Trade Advances Given	68,860	Nil
Trade Advances returned	2,18,259	Nil
Balances Outstanding as on balance sheet date	27,290	176,689

**Note 25: Dues to the Micro, Small and Medium Enterprises**

There are no Micro, Small or Medium Enterprises to whom amounts are outstanding for more than 45 days as at March 31, 2023.

As at March 31, 2023, no supplier has intimated the Company about its status as Micro or Small enterprises or its registration with the appropriate authority under The Micro, Small and Medium Enterprises Development Act, 2006.

**Note 26: Managerial Remuneration:**

Current year –Nil (Previous year – Nil)

**Note 27: Foreign Exchange Earnings:**

(Rs. In thousands)

Particulars	2022-23 Amount (Rs.)	2021-22 Amount (Rs.)
Foreign exchange gain	241	Nil

**Note 28: Mergers and Acquisitions**

**MALNAD PROJECT (I) PRIVATE LIMITED**  
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The Board of Directors of the Company at their meeting held on December 05, 2022 and the shareholders of the Company at the Extra ordinary General meetings held on January 31, 2023 approved the proposed scheme of arrangement under section 233 of the Companies Act, 2013 for amalgamation of Malnad Projects Private Limited, wholly owned subsidiary into the Company with effect from April 01, 2022, the appointed date. On completion of all the formalities of the merger of the above companies with the Company, the said merger became effective April 01, 2022. Consequent to the amalgamation prescribed by the Scheme, all the assets and liabilities of transferor companies were transferred to and vested in the transferee company from the Appointed Date.

The amalgamation was accounted as per the merger scheme. Accordingly, all the assets, liabilities and other reserves of transferor companies were aggregated with those of the transferee company at their respective book values with effect from April 01, 2022 to give effect to the merger.

The scheme was approved by Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai vide Amalgamation order No. RD/WR/Sec.233/Kumar Housing/AA1323814/2023/1549 dated June 23, 2023.

**Note 29: Reconciliation between equity and financial results on adoption of Ind AS**

Reconciliation between equity and financial results for the year ended March 31, 2022 as per previously applicable generally accepted accounting principle (previous GAAP) with equity and total comprehensive income as per Ind AS respectively is as under:		
<b>Equity Reconciliation</b>		
		<b>(Rs. in thousands)</b>
<b>Particulars</b>	<b>Equity</b>	<b>Other Equity</b>
Balance as at March 31, 2021 as per previous GAAP	10,100	(12,522)
Ind AS Adjustments	-	-
Balance as at April 01, 2021 as per Ind AS	10,100	(12,522)
<b>Particulars</b>	<b>Equity</b>	<b>Other Equity</b>
<b>Balance as at March 31, 2022 as per previous GAAP (A)</b>	<b>10,100</b>	<b>57,462</b>
<b>Ind AS adjustments</b>		
Impact of measurement of financial instruments	-	(6,73,016)
Tax effect on Ind AS adjustments	-	1,74,984
<b>Effect of Ind AS adjustments (B)</b>	<b>-</b>	<b>(4,98,032)</b>
<b>Balance as at March 31, 2022 as per Ind AS (A+B)</b>	<b>10,100</b>	<b>(4,40,570)</b>
<b>Total Comprehensive Income Reconciliation</b>		

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Particulars	For the year ended March 31, 2022
<b>Net profit as reported under previous GAAP</b>	<b>69,984</b>
<b>Ind AS adjustments</b>	
Impact of measurement of financial instruments	(6,73,016)
Tax effect on Ind AS adjustments	1,74,984
<b>Effect of Ind AS adjustments</b>	<b>(4,98,032)</b>
<b>Net profit as reported under Ind AS</b>	<b>(4,28,048)</b>

**Note 30: Ratio Analysis:**

Sr No	Ratio	Numerator	Denominator	FY 2022-23	FY 2021-22
1	Current ratio	Current Asset	Current Liabilities	86.29	2.69
2	Debt Equity ratio	Total Debt	Shareholder's Equity	(4.62)	(10.83)
3	Debt Service coverage ratio	Earnings Available for Debt services	Interest + Installment	0.00	0.14
4	Return on Equity ratio	Profit after tax-Pref. Dividend	Equity shareholder fund	0.67	0.99
5	Inventory Turnover ratio	Cost of Goods Sold	Average Inventory	0.00	0.00
6	Trade Receivable Turnover Ratio	Net credit Sales	Average Account receivable	0.00	0.00
7	Trade Payable Turnover Ratio	Net credit Purchases	Average Account Payable	Not Applicable	Not Applicable
8	Netcapital TurnoverRatio	Sales	Net Assets	0.00	0.00
9	Net Profit ratio	Net profit	Sales	(10.84)	(2.75)

**Remark for more than 25% changes**

Increase in Current Ratio – there have been payments of current liabilities during the current financial year. Hence the ratio has gone up by more than 25%.

Decrease in Return on Equity ratio– increase in finance cost compared to last financial year has resulted in losses in the current year which has led to decrease in returns to the shareholders.



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Increase in Debt equity ratio –during the year, company has availed additional debt in the form of NCDs and also there is a decrease in shareholder's equity on account of losses in the current year resulting in increased debt equity ratio.

Decrease in net profit ratio – Due to increase in finance cost, net loss of the company has increased.

**Note 31: Details of Benami Property Held**

The Company does not have any benami property. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

**Note 32: Cash Credit / Working Capital Demand Loan Facility Secured Against Current Assets**

The Company has no Cash Credit / Working Capital Demand Loan facility from banks.

**Note 33: Wilful Defaulter**

The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

**Note 34: Relationship with Struck Off Companies**

The Company has no transactions with Companies struck off under Companies Act, 2013 or Companies Act, 1956.

**Note 35: Registration of Charges or Satisfaction with Registrar of Companies**

The Company has created charges which are duly registered with the ROC. The Company has registered the satisfaction of all the charges which are required to be registered with the ROC except the following:

(Rs. In thousands)				
SRN	Charge Id	Charge Holder Name	Amount	Remark
T27482868	100453442	Cosmos Co-OperativeBankLtd.	34,00,600	Satisfaction of charge pending

**Note 36: Compliance with Number of Layers of Companies**

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

**Note 37: Compliance with Approved Scheme(s) of Arrangements**

The Company has entered into scheme of amalgamation with appointed date 01/04/2022 with Malnad Projects Private Limited being subsidiary which has an accounting impact in current and

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previous financial year and corresponding accounting treatment provided for as per the merger scheme.

**Note 38: Funding on behalf of the ultimate beneficiaries**

- a) The Company has not advanced or loaned or invested any funds (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. The Company has not received any funds from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Note 39: Undisclosed Income**

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**Note 40: Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in crypto currency or virtual currency during the year.

**Note 41: Valuation of PP&E, intangible asset and investment property**

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets.

**Note 42:** The accounts of certain debtors, loans and advances given/received, creditors are subject to confirmations and reconciliations, if any.

**Note 43: Previous Year Comparatives**

Previous year's figures have been regrouped or reclassified wherever necessary, to conform with the current year's presentation.

As per our report of even date

**MALNAD PROJECT (I) PRIVATE LIMITED**  
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For S P A K & CO  
Chartered Accountants  
ICAI firm registration number:0139877W

For and on behalf of the board of  
directors of  
Malnad Project (I) Private Limited

SD/-  
Shivraj Patil  
Partner  
Membership no.: 138320  
UDIN : 23138320BGULWT2506

Place: Pune

Date: August 17, 2023

SD/-	SD/-
Manish V Jain	Yogesh Bhavé
Director	Director
DIN:00037571	DIN: 03631534

SD/-  
Komal Jagdale  
Company Secretary & Compliance  
Officer

**Annexure to List of Debenture Trustees:**

**DETAILS OF DEBENTURE TRUSTEES**

<b>A.</b>	<b>Secured NCD (Unlisted)</b>	
	Debenture Trustee	<b>Vistra ITCL (India) Limited</b>
	CIN	U66020MH1995PLC095507
	Address	IL&FS Financial Centre, Plot No. 22, G Block, BandraKurla Complex, Bandra (East), Mumbai – 400051
	Name of Debenture Holder	HDFC CAPITAL AFFORDABLE REAL ESTATE FUND-1
	Type of Security	secured, redeemable, unrated, unlisted, zero coupon, non-convertible debentures
	Number of Debentures held	35,00,000
	Amount per Debenture	Rs. 1000/-

<b>B.</b>	<b>Secured NCD (Unlisted)</b>	
	Debenture Trustee	<b>Vistra ITCL (India) Limited</b>
	CIN	U66020MH1995PLC095507
	Address	IL&FS Financial Centre, Plot No. 22, G Block, BandraKurla Complex, Bandra (East), Mumbai – 400051
	Name of Debenture Holder	HDFC CAPITAL AFFORDABLE REAL ESTATE FUND-3
	Type of Security	Unlisted, secured, interest bearing, guaranteed, redeemable, rupee denominated and transferable non-convertible debentures
	Number of Debentures held	5,00,000
	Amount per Debenture	Rs. 1000/-

<b>C.</b>	<b>Unsecured NCD (Listed)</b>	
	Debenture Trustee	<b>Vistra ITCL (India) Limited</b>
	CIN	U66020MH1995PLC095507
	Address	IL&FS Financial Centre, Plot No. 22, G Block, BandraKurla Complex, Bandra (East), Mumbai – 400051
	Name of Debenture Holder	Mr. Manish Vimalkumar Jain

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	Type of Security	unsecured, redeemable, rated and listed, non-convertible debentures
	Number of Debentures held	4,90,000
	Amount per Debenture	Rs. 1000/-

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By and on behalf of the Board of Directors

**MALNAD PROJECT (I) PRIVATE LIMITED (the “Company”)**

**(Previously KUMAR HOUSING TOWNSHIP PRIVATE LIMITED)**

**Yogesh Bhave**

**Director | DIN: 03631534**

Date: 29<sup>th</sup> September, 2023

Place: Pune