A.M.GHELANI & COMPANY
CHARTERED ACCOUNTANTS

224, Champaklal Industrial Estate,
Sion-Koliwada Road, Sion (East),
Mumbai - 400 022.
Tel. : 2402 4909/ 8739
Fax : 2407 1138
E-mail : amghelaniandco@gmail.com

AJIT M. GHELANI
B.Com (Hons), F.C.A., GRAD.C.W.A.

CHINTAN A. GHELANI
B.Com (Hons), F.C.A., C.S.

INDEPENDENT AUDITOR'S REPORT

To
The Members of Sparkle Two Mall Developers Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of **Sparkle Two Mall Developers Private Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2023 the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended,("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

A.M.GHELANI & COMPANY * C.A. * MUMBAI *

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

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

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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A.M. GHELANI & COMPANY C.A. MUMBAI

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

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e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended:

In our opinion and the best of our information and according to the explanations given to us, the provisions of section 197 are not applicable on the Company.

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

i. The Company does not have any pending litigations as on the reporting date.

ii. There were no material foreseeable losses in case of long-term contract, if any as at March 31, 2023. The company does not have derivate contracts as on March 31, 2023.

iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 23) to the financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 23 to the financial statements); and

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

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v. The Company has not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for maintaining books of account in accounting software having a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For A M. Ghelani & Company
Chartered Accountants
Firm Registration No.: 103173W

A.M. GHELANI & COMPANY C.A. MUMBAI

Chintan A. Ghelani
Partner
Membership No.: 104391

ICAI UDIN: 23104391BGWTCW3820

Place : Mumbai
Date : 20/05/2023

A.M. GHELANI & COMPANY C.A. MUMBAI

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Annexure "A" to the Independent Auditor's Report
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **Sparkle Two Mall Developers Private Limited** (the "Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial Reporting includes those policies and procedures that (1) pertain to the

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maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

For A M. Ghelani & Company
Chartered Accountants
Firm Registration No.: 103173W

A.M. GHELANI & COMPANY C.A. * MUMBAI *

Chintan A. Ghelani
Partner
Membership No.: 104391

ICAI UDIN: 23104391BGWTCW3820

Place : Mumbai
Dated : 20/05/2023

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Annexure "B" to the Independent Auditor's Report
(Referred to in paragraph 2 under the heading Report on other legal and regulatory requirements of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of company's Property, Plant and Equipment and Intangible Assets:-

(a) The Company does not have any Property, Plant and Equipment and Intangible Assets, and hence clause 3 (i)(a), (i)(b),(i)(c) and (i)(d)of the Order is not applicable to the Company.

(b) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(b) The Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly clause 3 (ii)(b) of the Order is not applicable to the Company

iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3 (iii)(a), (iii)(b),(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues of Income

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Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services tax , Cess on account of any dispute, which have not been deposited.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix) (a) of the Order is not applicable.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(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) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(f) is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(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 made any private placement or preferential allotment of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) No whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. In our opinion and based on our examination, the Company does not required to have an internal audit system as per provisions of the Companies Act.

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xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. Hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has incurred cash losses of Rs 90.38 Thousand in the financial year and of Rs. 37.60 Thousand in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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 the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The provisions of Section 135 of the Companies Act is not applicable to the Company and accordingly the reporting under clause 3(xx) (a) and 3 (xx) (b) are not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For A M. Ghelani & Company
Chartered Accountants
Firm Registration No.: 103173W

A.M. GHELANI & COMPANY C.A. MUMBAI

Chintan A. Ghelani
Partner
Membership No.: 104391

ICAI UDIN: 23104391BGWTCW3820

Place : Mumbai
Dated : 20/05/2023

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Sparkle Two Mall Developers Private Limited
(CIN No. U70109MH2018PTC308657)
Balance sheet as at 31st March, 2023

(₹ in Thousand)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
A. ASSETS			
Current Assets			
Financial Asset			
Cash and Cash Equivalents	5	81.95	33.32
		81.95	**33.32**
TOTAL ASSETS		**81.95**	**33.32**
B. EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	6	100.00	100.00
Other Equity	7	(297.42)	(207.04)
		(197.42)	**(107.04)**
Liabilities			
Current Liabilities			
Financial Liabilities			
Borrowings	8	200.00	100.00
Trade Payable			
Dues to micro and small enterprises	9	-	-
Dues to others	9	63.46	31.86
Other Financials Liabilities	10	14.32	8.50
Other Current Liabilities	11	1.59	-
		279.37	**140.36**
TOTAL EQUITY AND LIABILITIES		**81.95**	**33.32**

Significant Accounting Policies and Notes on Financial Statements — 1 to 24

As per our Report of even date
For A. M. Ghelani & Company
Chartered Accountants
Firm Registration No.: 103173W

For and on behalf of the Board of Directors

A.M. GHELANI & COMPANY C.A. MUMBAI

Chintan A. Ghelani
Partner
Membership No.: 104391
Place : Mumbai
Date : May 20, 2023

Ashwin Singhvi
Director
DIN No. 08713678

Lalit Jain
Director
DIN No. 08715049

Sparkle Two Mall Developers Private Limited

Sparkle Two Mall Developers Private Limited
(CIN No. U70109MH2018PTC308657)
Statement of Profit and Loss for the financial year ended 31st March, 2023

(₹ in Thousand)

Particulars	Notes	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
Income		-	-
Total Income		-	-
Expenses			
Finance Cost	12	15.90	8.50
Other Expenses	13	74.48	29.10
Total Expenses		**90.38**	**37.60**
Profit / (Loss) Before Tax		(90.38)	(37.60)
Current Tax		-	-
Profit / (Loss) for the year (A)		**(90.38)**	**(37.60)**
Other Comprehensive Income for the year(B)		-	-
Total Comprehensive Income for the year (A+B)		**(90.38)**	**(37.60)**
Earning Per Equity Share: Basic EPS (Face Value of ₹ 10/- each)	21	(9.04)	(3.76)

Significant Accounting Policies and Notes on Financial Statement — 1 to 24

As per our Report of even date
For A. M. Ghelani & Company
Chartered Accountants
Firm Registration No.: 103173W

A.M. GHELANI & COMPANY C.A. MUMBAI

Chintan A. Ghelani
Partner
Membership No.: 104391
Place : Mumbai
Date : May 20, 2023

For and on behalf of the Board of Directors

Ashwin Singhvi
Director
DIN No. 08713678

Lalit Jain
Director
DIN No. 08715049

Sparkle Two Mall Developers Private Limited

Sparkle Two Mall Developers Private Limited
(CIN No. U70109MH2018PTC308657)
Cash Flow Statement for the financial year ended 31st March, 2023

(₹ in Thousand)

Sr. No	Particulars	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Loss before Taxation	(90.38)	(37.60)
	Interest Expenses	15.91	8.50
	Operating Profit before Working Capital Changes	(74.47)	(29.10)
	Change in working Capital:		
	Trade & Other Payable	33.19	17.70
	Cash generated from Operations	(41.28)	(11.40)
	Tax paid	-	-
	Net Cash From Operating Activities	**(41.28)**	**(11.40)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**	-	-
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceed from short-term borrowings	100.00	-
	Interest Paid	(10.09)	(9.63)
	Net Cash generated/(Used in) Financing Activities	**89.91**	**(9.63)**
	Net Increase/ (Decrease) in Cash and Cash Equivalents	**48.63**	**(21.03)**
	Opening Balance of Cash and Cash Equivalents	**33.32**	**54.35**
	Closing Balance of Cash and Cash Equivalents	**81.95**	**33.32**

Notes:-

a	Cash and Cash Equivalents includes :		
	Cash and Bank Balances [as per Notes "5"]	**81.95**	**33.32**

b The Cash Flow Statements has been prepared under the "Indirect Method" set out in Indian Accounting Standard-7 "Statement of Cashflows" (Ind As-7) issued by the Institute of Chartered Accountants of India.

c The figures in brackets represent Cash outflows.

Significant Accounting Policies and Notes on Financial Statements 1 to 24

As per our Report of even date
For A. M. Ghelani & Company
Chartered Accountants
Firm Registration No.: 103173W

A.M. GHELANI & COMPANY C.A. MUMBAI

Chintan A. Ghelani
Partner
Membership No.: 104391
Place : Mumbai
Date : May 20, 2023

For and on behalf of the Board of Directors

Ashwin Singhvi
Director
DIN No. 08713678

Lalit Jain
Director
DIN No. 08715049

Sparkle Two Mall Developers Private Limited

Sparkle Two Mall Developers Private Limited
(CIN No. U70109MH2018PTC308657)
Statement of Changes in Equity for the financial year ended 31st March, 2023

Equity Share Capital

For the financial year ended 31st March, 2023

(₹ in Thousands)

Particulars	Opening Balance as at April 01, 2022	Changes in equity share capital during the year	Closing Balance as at 31st March, 2023
Equity Share Capital	100.00	-	100.00

For the year ended 31st March, 2022

(₹ in Thousands)

Particulars	Opening Balance as at April 01, 2021	Changes in equity share capital during the year	Closing Balance as at 31st March, 2022
Equity Share Capital	100.00	-	100.00

Other Equity

(₹ in Thousands)

Particulars	Reserves & Surplus	Total
	Retained Earnings	
Balance as at 1st April,2021	(169.44)	(169.44)
Loss for the Year	(37.60)	(37.60)
Balance as at 31st March, 2022	**(207.04)**	**(207.04)**
Loss for the Year	(90.38)	(90.38)
Balance as at 31st March, 2023	**(297.42)**	**(297.42)**

Significant Accounting Policies and Notes on Financial Statements 1 to 24

As per our Report of even date
For A. M. Ghelani & Company
Chartered Accountants
Firm Registration No.: 103173W

A.M. GHELANI & COMPANY C.A. MUMBAI

Chintan A. Ghelani
Partner
Membership No.: 104391
Place : Mumbai
Date : May 20, 2023

For and on behalf of the Board of Directors

Ashwin Singhvi
Director
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Sparkle Two Mall Developers Private Limited

Sparkle Two Mall Developers Private Limited
(CIN No. U70109MH2018PTC308657)
Notes on Financial Statement for the year ended 31st March 2023

1. Corporate Information:

The Company is a limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Ground 462, Senapati Bapat Marg, Phoenix Mills Premises, Lower Parel, Mumbai – 400 013.

The Company is mainly engaged in real estate activities. For Company's principal shareholders, refer note no. 6.

These financial statements were approved and adopted by board of directors of the Company in their meeting dated 20th May 2023.

2. Basis of Preparation of Financial Statement:

The Financial Statements have been prepared in accordance with and in compliance, in all material aspects, with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other provisions of the Act.

The significant accounting policies used in preparing financial statements are set out in Note 3 of the Notes on Financial Statements and are applied consistently to all the periods presented.

NEW STANDARDS / AMENDMENTS NOTIFIED BUT NOT YET EFFECTIVE:

Ministry of Corporate Affairs (MCA), on March 31, 2023, through the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2023 amended certain existing Ind ASs on miscellaneous issues with effect from 1st April 2023. Following are few key amendments relevant to the Company:

i. IND AS 1 – Presentation of Financial Statements & Ind AS 34 – Interim Financial Reporting – Material accounting policy information (including focus on how an entity applied the requirements of Ind AS) shall be disclosed instead of significant accounting policies as part of financial statements.
ii. IND AS 107 – Financial Instruments: Disclosures – Information about the measurement basis for financial instruments shall be disclosed as part of material accounting policy information.
iii. IND AS 8 – Accounting policies, changes in accounting estimate and errors-Clarification on what constitutes an accounting estimate provided.

A.M. GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

iv. IND AS 12 – Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

The Company does not expect the effect of this on the financial statements to be material, based on preliminary evaluation.

3. Summary of Significant Accounting Policies:

a) Functional and presentation of currency:

The financial statements are presented in Indian Rupees, which is the Company's functional currency and all amounts are rounded to the nearest thousand rupees.

b) Basis of measurement:

The Financial Statements have been prepared on historical cost basis, except the following:

- Certain financial assets and liabilities that is measured at fair value.
- Defined benefit plans – plan assets measured at fair value.

c) Use of Estimates:

The preparation of the financial statements requires management to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses during the period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described in Note 4. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

d) Impairment of Non-Financial Assets :

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a

A.M. GHELANI & COMPANY * MUMBAI * C.A.

Sparkle Two Mall Developers Private Limited * groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

e) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity. Classifications of financial instruments are in accordance with the substance of the contractual arrangement and as per the definitions of financial assets, financial liability and an equity instruments.

Financial Assets and investments

i) Initial recognition and measurement:

At initial recognition, the company measures a financial asset (other than financial asset at fair value through profit or loss) at its fair value plus or minus, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit & loss.

ii) Subsequent recognition and measurement:

Subsequent measurement of financial asset depends on the company's business model for managing the asset and the cash flow characteristics of the asset. For the purpose of subsequent recognition and measurement financial assets are classified in four categories:

- **Debt instrument at amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Debt instrument at fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue which are recognised in the statement of profit &

A.M. GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Debt instrument at fair value through profit and loss (FVTPL):**

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit & loss and presented net in the statement of profit & loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

- **Equity instruments:**

  All equity instruments are initially measured at fair value. Any subsequent fair value gain /loss is recognised through profit or loss if such investments are held for trading purposes. The fair value gains or losses of all other equity investments are recognised in Other Comprehensive Income.

iii) Derecognition:

A financial asset is primarily derecognised i.e. removed from Company's financial statement when:

- The rights to receive cash flows from asset have expired, or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under 'pass- through' arrangement and either;

  a) The Company has transferred substantially all the risks and rewards of the assets,
  b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

  When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

  Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

A.M. GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

Financial Liabilities:

i) **Initial recognition and measurement:**

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

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

ii) Subsequent measurement:

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

Financial liabilities at fair value through profit and loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and has designated upon initial measurement recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains/ losses on liabilities held for trading are recognised in the statement of profit & loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

iii) Financial Liabilities at amortised cost:

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition:

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

A.M.GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

f) Impairment of Financial assets:

The company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets carried at amortised cost;
- Financial asset measured at FVOCI debt instruments.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

i) **Trade receivables**

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

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

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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

g) Classification of assets and liabilities as current and non – current:

The Company presents assets and liabilities in Balance Sheet based on current/non-current classification.

A.M.GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
b) Held primarily for the purpose of trading,
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

a) It is expected to be settled in normal operating cycle,
b) It is held primarily for the purpose of trading,
c) It is due to be settled within twelve months after the reporting period, or
d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

h) **Equity share capital:**

Ordinary shares are classified as equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

i) **Cash and cash equivalents:**

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

j) **Revenue Recognition:**

The company' revenue from contracts with customers is mainly from Business Support Services.

Revenue from Business Support Service is recognized on satisfaction of performance obligation upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it

A.M. GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

becomes unconditional. Generally, the credit period varies between 0-30 days from the delivery of services.

Interest income

Interest income from debt instrument is recognised using effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of financial asset to the gross carrying amount of financial asset. When calculating effective interest rate, the company expects cash flows by considering all contractual terms of financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognised when the right to receive the payment is established.

k) **Provisions and contingencies:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using the government securities interest rate for the equivalent period. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate. Provisions are not recognised for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the notes to the financial statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

l) **Income Taxes:**

Current Income Tax:

Current Income Tax liabilities are measured at the amount expected to be paid to the taxation authorities using the tax rates and tax laws that are enacted or subsequently enacted at the end of the reporting period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and creates provisions where appropriate.

A.M. GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

__Deferred Tax:__

Deferred Tax is provided, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred Income Tax is determined using the tax rates and tax laws that are enacted or subsequently enacted at the end of the reporting period.

Deferred Tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

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

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

m) Earnings per share:

Basic earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

4. Critical accounting estimates, assumptions and judgements:

The preparation of the financial statements requires management to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses during the period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A.M. GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available, when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

In the process of applying the Company's accounting policies, management has made the following estimates and judgements, which have significant effect on the amounts recognized in the financial statement:

(a) Recoverability of trade receivable

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. The Company uses a provision matrix to determine impairment loss allowance on its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

(b) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

(c) Fair Value measurement:

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

(d) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

A.M. GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

Sparkle Two Mall Developers Private Limited
(CIN No. U70109MH2018PTC308657)
Notes to financial statements for the financial year ended 31st March, 2023

(₹ in Thousand)

Notes	Particulars	As at March 31, 2023	As at March 31, 2022
5	**Cash & Cash Equivalents**		
	Balances with Banks		
	In Current Account	81.95	33.32
		81.95	**33.32**
6	**Equity Share Capital**		
	Authorised		
	16,000 (P.Y. 16,000) Equity Shares of ₹10/- each	160.00	160.00
	4,000 (P.Y. 4,000) Convertible Preference Shares of ₹ 10/- each	40.00	40.00
		200.00	**200.00**
	Issued, Subscribed and paid up		
	10,000 (P.Y. 10,000) Equity Shares of ₹10/- each fully paid up	100.00	100.00
		100.00	**100.00**
	a) Reconciliation of the Shares outstanding at the beginning and end of the reporting year	No. of Shares	No. of Shares
	Shares outstanding at the beginning of the year	10,000	10,000
	Add :Shares Issued during the year	-	-
	Shares outstanding at the end of the year	**10,000**	**10,000**

b) Shares held by Holding Company:-	No. of Shares	No. of Shares
The Phoenix Mills Limited (10,000 Equity Shares of Rs. 10 each fully paid) (P.Y. NIL Shares)	10,000	-
Island Star Mall Developers Private Limited (NIL Shares) (P.Y. 10,000 Equity shares of Rs 10 each fully paid up)	-	10,000

c) Details of shareholders holding more than 5% Shares in the company	March 31, 2023		March 31, 2022	
	Number of shares	% of Holdings	Number of shares	% of Holdings
The Phoenix Mills Limited - Holding Company	10,000	100	-	-
Island Star Mall Developers Private Limited - Holding Company	-	-	10,000	100

d) Terms of Issue

The Company has only One class equity shares having face value of ₹ 10 per share. Each holder of equity shares is entitled to One vote per share.

I. Equity Share Capital: For each class of equity share capital:

A company shall disclose Shareholding of Promoters* as under:

Shares held by promoters for the year ended 31/03/2023			% Change during the year
Promoter Name	No. of Shares	%of total shares	
The Phoenix Mills Limited - Holding Company	10,000	100%	100%

A.M. GHELANI & COMPANY * MUMBAI * C.A.

Sparkle Two Mall Developers Private Limited

Sparkle Two Mall Developers Private Limited
(CIN No. U70109MH2018PTC308657)
Notes to financial statements for the financial year ended 31st March, 2023

(₹ in Thousand)

Notes	Particulars	As at March 31, 2023	As at March 31, 2022
7	**Other Equity**		
	Retained Earnings		
	As at the beginning	(207.04)	(169.44)
	Loss for the year	(90.38)	(37.60)
	As at the end	**(297.42)**	**(207.04)**

Nature and Purpose of Reserve & Surplus

(B) Nature and purpose of reserves

Retained earnings :- Retained earnings are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Notes	Particulars	As at March 31, 2023	As at March 31, 2022
8	**Current financial liability - Borrowings**		
	Unsecured (Repayable on demand)		
	Inter Corporate Deposit [from Fellow Subsidairy Company] (Refer note 19)	200.00	100.00
		200.00	**100.00**
9	**Trade Payable (Current)**		
	Dues to micro and small enterprises #	-	-
	Due to Others (Refer note 17)	63.46	31.86
		63.46	**31.86**

There are no Micro and Small Enterprises, to whom the company ows dues, for more than 45 days during the year as at March 31, 2023 and March 31, 2022. The above information regarding Micro and Small Enterprises has been dertemined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors.

The disclosure persuant to the said Act is as under :	As at March 31, 2023	As at March 31, 2022
a) Principal amount due to supplier under MSMED Act, 2006	-	-
b) Interest Accrued and due on the above amount, unpaid	-	-
c) Payment made beyond the appointed day during the year	-	-
d) Interet paid	-	-
e) Interest due and payable for the period of delay	-	-
f) Interest remaining due and payable in succeeding year	-	-

Notes	Particulars	As at March 31, 2023	As at March 31, 2022
10	**Other Financials Liabilities (Current)**		
	Accrued Interest on ICD	14.32	8.50
		14.32	**8.50**
11	**Other Current Liabilities**		
	Statutory Dues	1.59	-
		1.59	-

A.M. GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

Sparkle Two Mall Developers Private Limited

(CIN No. U70109MH2018PTC308657)

Notes to financial statements for the financial year ended 31st March, 2023

(₹ in Thousand)

Notes	Particulars	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
12	**Finance Cost**		
	Interest on ICD	15.90	8.50
		15.90	**8.50**
13	**Other Expenses**		
	Professional fees	36.20	10.50
	CDSL/NSDL Fees	19.67	-
	Bank Charges	0.01	-
	ROC Filing Fees	0.90	0.90
	Payment to Auditor		
	Audit Fees	17.70	17.70
		74.48	**29.10**

A.M. GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

14 Fair Value of Financial assets and Liabilities:

Set out below is the comparison by class of carrying value and fair value of Company's financial instruments that are recognised in the financial statements.

(₹ in Thousand)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets designated at amortised cost				
Cash and Cash Equivalents	81.95	81.95	33.32	33.32
Total	**81.95**	**81.95**	**33.32**	**33.32**
Financial liabilities designated at amortised cost				
Borrowings	200.00	200.00	100.00	100.00
Trade Payable	63.46	63.46	31.86	31.86
Other Financials Liabilities	14.32	14.32	8.50	8.50
Total	**277.78**	**277.78**	**140.36**	**140.36**

Fair valuation techniques:

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values

i) Fair value of cash and deposits and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

ii) Long-term borrowings are evaluated by the Company based on parameters such as interest rates, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. Risk of non-performance for the Company is considered to be insignificant in valuation.

15 Financial risk Management:

The Company's financial liabilities comprise, trade payables and borrowings. The main purpose of managing financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, that arise directly from its operations.

The Company is exposed to , credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management has established a risk management policy to identify an analyse the risks, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policy is reviewed periodically to reflect changes in market conditions and the Company's activities. The Company's senior management reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and investments in securities.

A.M. GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is not exposed to foreign exchange as there are no foreign currency transaction during the year. The Company is exposed to insignificant foreign exchange risk as at the respective reporting dates.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as the Company does not have any interest bearing borrowings as at the respective reporting dates.

Commodity and Other price risk
The Company is not exposed to the commodity and other price risk.

- **Credit Risk**

Credit risk is the risk of financial loss to the Company that a customer or counter party to a financial instrument fails to meet its obligations. The Company is exposed to credit risk from its operating activities, from its financing activities, including deposits with banks and other financial instruments.

Cash and cash equivalents
The Company is exposed to counter party risk relating to medium term deposits with banks.
The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

Exposure to credit risk
The gross carrying amount of financial assets, net of impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2023 and March 31, 2022 is as follows:

(₹ in Thousand)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	81.95	33.32

- **Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current borrowings are sufficient to meet its short to medium term expansion needs. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.
The Company is required to maintain ratios (such as debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels. In the event of failure to meet any of these ratios these loans become callable to the extent of failure at the option of lenders, except where exemption is provided by lender.

A. M. GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

Sparkle Two Mall Developers Private Limited
(CIN : U45202MH2007PTC169133)
Notes on Financial Statements for the financial year ended 31st March, 2023

(₹ in Thousand)

Particulars	As at March 31, 2023					
	Carrying Amount	On Demand	Less than 6 months	6- 12 months	>1 year	Total
Borrowings	200.00	200.00		-	-	**200.00**
Trade and other payables	63.46	63.46		-	-	**63.46**
Other Financials Liabilities	14.32	14.32		-	-	**14.32**
Particulars	**As at March 31, 2022**					
	Carrying Amount	**On Demand**	**Less than 6 months**	**6- 12 months**	**>1 year**	**Total**
Borrowings	100.00	100.00	-	-	-	**100.00**
Trade and other payables	31.86	31.86	-	-	-	**31.86**
Other Financials Liabilities	8.50	8.50	-	-	-	**8.50**

16 **Capital management**

The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31, 2023 and year ended March 31, 2022.

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, cash and short term deposits.

(₹ in Thousand)

Particulars	As at March 31, 2023	As at March 31, 2022
Loans & Borrowings	200.00	100.00
Less : Cash and cash equivalents	81.95	33.32
Net Debt	118.05	66.68
Total Capital	(197.42)	(107.04)
Capital+Net Debt	(79.37)	(40.36)
Gearing Ratio	-149%	-165%

17 **Trade Payable Ageing as of 31st March 2023**

(₹ in Thousand)

Particulars		Outstanding for following periods from bill date of booking				
	Unbilled	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	63.46	-	-	-	-	**63.46**
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Trade Payable Ageing as of 31st March 2022

(₹ in Thousand)

Particulars		Outstanding for following periods from due date of payment				
	Unbilled	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	31.86	-	-	-	-	**31.86**
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

A.M. GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

Sparkle Two Mall Developers Private Limited
(CIN No. U70109MH2018PTC308657)

Notes on Financial Statements for the financial year ended March 31, 2023

18 Ratios **(₹ in Thousand)**

Sr No	Particulars (Refer below Note)	Numerator	Denominator	31st March 2023	31st March 2022	Variance (%)	Reason for Variance
1	**Current Ratio**	Current Assets	Current Liabilities	0.29	0.24	0.24	Current Liability reduced due to payment to vendor.
2	**Debt Equity Ratio**	Total Debt	Total Shareholder's Equity	(1.01)	(0.93)	0.08	Shareholders equity reduce due to loss in current year
3	**Return on Equity Ratio**	Net Income	Average Shareholder's Equity	59.37%	42.61%	0.39	Reduction in Loss due to reduction in interest rate of ICD
4	**Trade Payables Turnover Ratio**	Total Purchases	Average Trade Payables	1.56	1.26	0.24	Reduction in purchases due to reduction of interest rate of ICD
5	**Return on Capital Employed**	EBIT	Capital Employed	0.63	0.44	0.45	Reduction in Bank Balance due to Vendor payment

A) Note : Following ratios are not applicable to the Company.

1 Debt Service Coverage Ratio
2 Inventory Turnover Ratio
3 Trade Receivables Turnover Ratio
4 Net Capital Turnover Ratio
5 Net Profit Ratio
6 Return on Investment

A.M.GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

Sparkle Two Mall Developers Private Limited
(CIN : U45202MH2007PTC169133)
Notes on Financial Statements for the financial year ended 31st March, 2023

19 Related party Disclosure:

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are given as under

a) Related Party and relationships:

S. no	Name of the party	Relationship
1	Phoenix Mills Limited	Holding Company
2	Island Star Mall Developers Private Limited	Fellow Subsidiary*
3	Market City Resources Private Limited	Fellow Subsidiary**

b) There are transactions during the year with the related party

(₹ in Thousand)

Sr. No	Particulars	FY 2022-23	FY 2021-22	Related Party Name
1	Interest on ICD	15.90	8.50	Fellow Subsidiary*
2	Loan Taken ICD	100.00	-	Fellow Subsidiary*
3	Business Support Services	10.00	-	Fellow Subsidiary**

c) Closing Balance as at March 31,2023 are as below

(₹ in Thousand)

Sr. No	Particulars	As at March 31, 2023	As at March 31, 2022	Related Party Name
1	Other Financial Liabilities	14.32	8.5	Fellow Subsidiary*
2	Borrowings	200.00	100	Fellow Subsidiary*
3	Trade Payables	10.00	-	Fellow Subsidiary**

20 Segment reporting:

The Company is mainly engaged in real estate, construction business, commercial development. Considering the nature of the Company's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Indian Accounting Standard (IND AS)108 –'Segment Reporting'

21 Earning per share:

(₹ in Thousand)

	Particulars	2022-23	2021-22
i)	Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	(90.38)	(37.60)
ii)	Weighted Average number of equity shares used as denominator for calculating EPS	10,000	10,000
iii)	Basic and Diluted Earning per share (₹)	(9.04)	(3.76)
iv)	Face value per equity share (₹)	10.00	10.00

A.M. GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

22 Trade payables are subject to confirmations and reconciliations/ adjustments arising there from, if any. The same is not expected to have any material impact on the financial statements, as per the management.

23 **Additional regulatory information required by Schedule III**

Details of benami property held
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.

Borrowing secured against current assets
The company does not have borrowings from banks and financial institutions on the basis of security of current assets.

Wilful defaulter
Company have not been declared wilful defaulter by any bank or financial institution or other lenders.

Relationship with struck off companies

The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

Compliance with number of layers of companies
The company has complied with the number of layers prescribed under the Companies Act, 2013.

Compliance with approved scheme(s) of arrangements
The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Utilisation of borrowed funds and share premium
The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. 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

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

a. 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

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Details of crypto currency or virtual currency
The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

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 or both during the current or previous year.

A.M. GHELANI & COMPANY C.A. MUMBAI

Sparkle Two Mall Developers Private Limited

Sparkle Two Mall Developers Private Limited
(CIN : U45202MH2007PTC169133)
Notes on Financial Statements for the financial year ended 31st March, 2023

Other regulatory information

Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note(s) [*] [add additional references for investment properties and other line items where applicable] to the financial statements, are held in the name of the company.

Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were was taken.

24 The previous year figures have been regrouped, reworked, rearranged and reclassified, whenever necessary and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our Report of even date
For A. M. Ghelani & Company
Firm Registration No. 103173W
Chartered Accountants

A.M. GHELANI & COMPANY C.A. MUMBAI

Chintan A. Ghelani
Partner
Membership No.: 104391
Place : Mumbai
Date : May 20, 2023

For and on behalf of the Board of Directors

Ashwin Singhvi
Director
DIN No. 08713678

Lalit Jain
Director
DIN No. 08715049

Sparkle Two Mall Developers Private Limited