A.M.GHELANI & COMPANY
CHARTERED ACCOUNTANTS

224, Champaklal Industrial Estate,
Sion-Koliwada Road, Sion (East),
Mumbai - 400 022.
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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 One 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 One Mall Developers Private Limited**, which comprise the Balance Sheet as at 31st March, 2021, 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.

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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, the loss and total comprehensive income, changes in equity and its cash flow 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 specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to Note 32 of the Financial Statements, which states the impact of Corona virus Disease 2019 (Covid-19) on the operations of the Company. Our opinion is not modified in respect of this matter.

Other Information

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, Board's Report including Annexures to Board's Report, 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. 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. Based on the work we have performed, if, 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 also responsible for overseeing the Company's financial reporting process.

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

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

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

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• 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.

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 the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. 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 including other comprehensive income, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;

(e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer Note 26 to the Financial Statements).

ii. The Company did not have any long term contracts including derivative contracts that required provision under the applicable law or accounting standards, for which there were any material foreseeable losses.

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

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

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

Chintan A. Ghelani
Partner
Membership No.: 104391

ICAI UDIN: 21104391AAAAEJ2728

Place : Mumbai
Date : 26th May, 2021

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"Annexure A" referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date

The Annexure referred to in Independent Auditor's Report to the members of the company on the standalone Financial Statements for the year ended 31st March, 2021, we report that:

(i) In respect of company's fixed assets:-

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The Company has a program of physical verification of its fixed assets by which fixed assets are verified in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the immovable property viz Land mentioned in the financial statement has been shown as held by the Company based on the registered agreement to sale executed between the parties.

(ii) The Company does not have any Inventory and hence the reporting under clause (ii) of the order is not applicable.

(iii) The company has not granted any loans to body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the act'), hence the reporting under clause (iii) of the order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) According to the information and explanation given to us, the company has not accepted any deposits within the meaning of provisions of section 73 to 76or any other relevant provisions of the Act and riles framed hereunder. Therefore, provisions of Clause (v) of paragraph 3 of the Order are not applicable to the company.

(vi) Having regard to the nature of the company's business/activities, the reporting of cost audit / records etc. under clause (vi) of the order is not applicable.

(vii) According to the information and explanations given to us, in respect of Statutory Dues:

a. The Company has generally been regular in depositing undisputed statutory dues including provident fund, income-tax, value added tax, goods & service tax, cess and other material statutory dues, wherever applicable, to it to 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, 2021 for a period of more than six months from the date of becoming payable.

b. There were no disputed amounts payable in respect of the above mentioned statutory dues as at 31st March, 2021.

(viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loan or borrowing to a financial institution, bank, government or dues to the debenture holders of the company.

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(ix) According to the information and explanations given to us, monies raised by way of Debenture have prima-facie been applied for the purpose for which they were raised.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration during the year under report.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause (xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) The Company has made a private placement of optionally convertible debentures during the year under review and the requirement of section 42 of The Companies Act, 2013 have been complied with, as regards thereto. According to the information and explanations given to us, the amounts so raised have prima-facie used for the purposes for which these were raised.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us and based on our examination of the records of the Company, The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

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

Chintan A. Ghelani
Partner
Membership No. 104391

ICAI UDIN: 21104391AAAAEJ2728

Place : Mumbai
Date : 26th May, 2021

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"Annexure B" referred to in paragraph 2(f) under the heading Report on other legal and regulatory requirements of our report of even date

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

We have audited the internal financial controls over financial reporting of **Sparkle One Mall Developers Private Limited ("the Company")** as of 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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, 2013.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)

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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.

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 31st March, 2021, 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 A M. Ghelani & Company
Chartered Accountants
Firm Registration No.: 103173W

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

Chintan A. Ghelani
Partner
Membership No.: 104391

ICAI UDIN: 21104391AAAAEJ2728

Place : Mumbai
Date : 26th May, 2021

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Sparkle One Mall Developers Private Limited
(CIN No. U70109MH2017PTC299103)
Balance Sheet as at 31st March, 2021

Amount in Rs.

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
Assets			
1) Non Current Assets			
Property, Plant & Equipment	5	6,99,71,02,371	6,99,79,10,091
Capital Work-in-Progress	5	2,22,29,57,452	1,41,34,16,577
Other Non Current Assets	6	16,61,454	26,50,563
		9,22,17,21,277	**8,41,39,77,231**
2) Current Assets			
Financial Asset			
i) Investments	7	6,34,11,448	3,16,78,477
ii) Cash and Cash Equivalents	8	52,79,759	3,51,94,140
iii) Bank Balance other than above	9	1,99,00,000	-
iv) Other Financial Assets	10	1,64,925	-
Current Tax Assets (net)	11	2,49,212	-
Other Current Assets	12	3,20,51,239	17,38,36,050
		12,10,56,583	**24,07,08,667**
Total		**9,34,27,77,860**	**8,65,46,85,898**
Equity and Liabilities			
1) Equity			
Equity Share Capital	13	1,00,020	1,00,020
Other Equity	14	9,07,16,32,487	8,37,41,40,948
		9,07,17,32,507	**8,37,42,40,968**
Liabilities			
2) Non-current liabilties			
Financial Liabilities			
i) Other financial liabilities	15	4,74,19,769	4,43,46,389
Provisions	16	47,63,608	46,04,175
3) Current liabilties			
i) Borrowings	17	10,00,00,000	-
ii) Trade Payables	18		
Micro and Small Enterprises		-	-
Others		2,89,654	23,900
iii) Other financial liabilities	19	7,94,24,968	4,72,11,134
Current Tax Liability (Net)	20	-	8,38,550
Provisons	21	2,94,294	2,50,325
Other Current Liabilities	22	3,88,53,060	18,31,70,457
		27,10,45,353	**28,04,44,930**
Total		**9,34,27,77,860**	**8,65,46,85,898**

Significant Accounting Policies and Notes on Financial Statements — 1 to 34

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 : 26th May 2021

For and on behalf of the Board of Directors

Sparkle One Mall Developers Private Limited

Rajesh Kulkarni
Director
DIN No. 03134336

Pawan Kakumanu
Director
DIN No.07584653

Sparkle One Mall Developers Private Limited
(CIN No. U70109MH2017PTC299103)
Statement of Profit and Loss for the Year Ended 31st March, 2021

Amount in Rs.

Particulars	Notes	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Income		-	-
Total Income		-	-
Expenses			
Other Expenses	23	8,85,058	16,14,719
Depreciation and amortisation expense	5	10,03,403	11,59,750
Total Expenses		**18,88,461**	**27,74,469**
Profit/(Loss) Before Tax		(18,88,461)	(27,74,469)
Tax Expenses			
Current Tax		**6,20,000**	**14,70,000**
Profit/(Loss) for the year from continuing operations		**(25,08,461)**	**(42,44,469)**
Other comprehensive income		-	-
Total comprehensive income		**(25,08,461)**	**(42,44,469)**
Earning Per Equity Share of face value of Rs. 10/- each			
Basic and Diluted EPS	24	(250.80)	(424.36)

Significant Accounting Policies and Notes on Financial Statements 1 to 34

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

Chintan A. Ghelani
Partner
Membership No.: 104391
Place : Mumbai
Date : 26th May 2021

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

For and on behalf of the Board of Directors

Sparkle One Mall Developers Private Limited

Rajesh Kulkarni
Director
DIN No. 03134336

Pawan Kakumanu
Director
DIN No.07584653

Sparkle One Mall Developers Private Limited
(CIN No. U70109MH2017PTC299103)
Cash Flow Statement for the year ended 31st March, 2021

Amount in Rs.

Particulars		For the year ended 31st March, 2021	For the year ended 31st March, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/(Loss) Before Tax as per Profit and Loss Account		(18,88,461)	(27,74,469)
Adjusted for:			
Depreciation		10,03,403	11,59,750
Operating Profit before Working Capital Changes		**(8,85,058)**	**(16,14,719)**
Change in Working Capital :			
Other Current and Non Current Assets		14,09,81,391	(16,98,91,246)
Trade Payable, Other Current and Non Current Liabilities / Provisions		(10,93,99,577)	23,40,91,934
Cash generated from Operations		**3,06,96,756**	**6,25,85,969**
Less: Tax paid (Net)		(15,61,000)	(13,11,450)
Net Cash generated from/(used in) Operating Activities	**(A)**	**2,91,35,756**	**6,12,74,519**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Mutual Fund		(43,35,00,000)	(78,74,17,854)
Proceed on sale of Mutual Fund		40,17,67,030	77,75,55,916
Investment in Fixed Deposit		(1,99,00,000)	-
Interest receied on Fixed Deposit		21,54,466	-
Purchase of Property Plant & Equipment & CWIP		(80,97,36,558)	(1,21,72,51,773)
Net Cash generated from/(Used in) from Investing Activities	**(B)**	**(85,92,15,063)**	**(1,22,71,13,712)**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Inter Corporate Deposit		10,00,00,000	(5,00,00,000)
Proceeds from OCD		70,00,00,000	1,25,00,00,000
Interest Accreud on FD		1,64,925	-
Interest payable on ICD		-	-
Interest payable on OCD		-	(6,883)
Net Cash Generated from / (Used in) Financing Activities	**(C)**	**80,01,64,925**	**1,19,99,93,117**
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)		**(2,99,14,381)**	**3,41,53,925**
Cash and Cash Equivalents at the beginning of the year		**3,51,94,140**	**10,40,215**
Cash and Cash Equivalents at the end of the year		**52,79,759**	**3,51,94,140**
Notes to Cash Flow			
Components of cash and cash equivalents :			
Cash on Hand		23,593	70,691
Balance with Scheduled Bank		52,56,166	3,51,23,449
Cash and Cash equivalents at the end of the year		**52,79,759**	**3,51,94,140**

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

Chintan A. Ghelani
Partner
Membership No.: 104391
Place : Mumbai
Date : 26th May 2021

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

Sparkle One Mall Developers Private Limited

For and on behalf of the Board of Directors

Rajesh Kulkarni
Director
DIN No. 03134336

Pawan Kakumanu
Director
DIN No. 07584653

SPARKLE ONE MALL DEVELOPERS PVT.LTD.
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

A. EQUITY SHARE CAPITAL

Amount in Rs.

	As at 1st April, 2019	Changes in Equity share capital during the Year	Closing Balance as at 31st March, 2020	Changes in Equity share capital during the year	Closing Balance as at 31st March, 2021
Equity Share Capital	1,00,020	-	1,00,020	-	1,00,020

B. OTHER EQUITY

Amount in Rs.

Particulars	Retained Earnings	Optionally Convertible Debetures	Total Other Equity
Balance as at 1st April, 2019	(16,14,583)	7,13,00,00,000	**7,12,83,85,417**
Profit / (Loss) for the year	(42,44,469)	1,25,00,00,000	**1,24,57,55,531**
As at 31st March, 2020	**(58,59,052)**	**8,38,00,00,000**	**8,37,41,40,948**
Profit / (Loss) for the year	(25,08,461)	-	**(25,08,461)**
Optionally Convertible Debetures issued	-	70,00,00,000	**70,00,00,000**
Balance as at 31st March,2021	**(83,67,513)**	**9,08,00,00,000**	**9,07,16,32,487**

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 : 26th May 2021

Sparkle One Mall Developers Private Limited

For and on behalf of the Board of Directors

Rajesh Kulkarni
Director
DIN No. 03134336

Pawan Kakumanu
Director
DIN No. 07584653

Sparkle One Mall Developers Pvt. Ltd.

Notes on Financial Statement for the year ended 31st March 2021

1. **Corporate Information:**

The Company is a private 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 2nd floor, R.R. Hosiery Building, off Dr. E Moses Road, Mahalaxmi (W), Mumbai – 400011.

The Company is engaged in Real Estate, Construction operation and management of mall.

For the information of the Company's principal shareholders, refer Note No. 13

These financial statements were approved and adopted by the board of directors of the Company in their meeting dated May 26, 2021.

2. **Basis of Preparation of Financial Statements:**

The Financial Statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The Financial statements provide comparative information in respect of the previous year. The significant accounting policies used in preparing financial statements are set out in Note 3 of the Notes to Financial Statements and are applied consistently to all the periods presented.

3. **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 rupees.

b) **Basis of measurement:**

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

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

c) **Property, Plant and Equipment:**

Freehold land if any, is carried at historical cost. Capital work in progress, and all other items of property, plant and equipment are stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Such cost includes borrowing costs for long-term construction projects if the recognition criteria are met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The expenditure incurred in connection with the Development project which is incomplete, is included in Capital Work-in- Progress and will be capitalized in the year of completion.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the Written Down Value Method to allocate their cost, net of their residual values, over their estimated useful lives as specified by Schedule II to the Companies Act; 2013. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives and method of depreciation are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

d) <u>Intangible asset:</u>

Identifiable intangible assets, if any, are recognised when the Company controls the asset & it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation methods and periods

Estimated useful lives of Intangible assets are considered as 5 years. Intangible assets are amortised over its useful life using the straight-line method. The amortisation period and the amortisation method for an intangible asset are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

e) <u>Impairment of Non – Financial Asset:</u>

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 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 transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

f) **Cash and cash equivalents:**

Cash and cash equivalents includes cash on hand and at bank, deposits held with banks 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.

g) **Financial Instrument:**

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 instrument 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 three 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 fromthesefinancialassetsisincludedinfinanceincomeusingtheeffectiveinterestratemethod.

- **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 statement of profit and 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 ratemethod.

- **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 and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

iii) De-recognition:

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 alltherisksandrewardsoftheasset,buthastransferredcontrol 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.

iv) Impairment of Financial asset:

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 receivables or contract revenue 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

Financial Liabilities:

a) Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

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.

b) Subsequent measurement:

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include 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 or losses on liabilities held for trading are recognised in the statement of profit and 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.

Loans and Borrowings:

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

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

Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.

c) De - recognition:

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

h) 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.

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.

i) 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.

j) Revenue Recognition:

Revenue is recognised to the extent that it is probable that the future economic benefits will flow to the entity and it can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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) Employees benefits:

(i) Short-term Employee benefits:

All employees' benefits payable wholly within 12 months rendering services are classified as Short Term obligations. Benefits such as salaries, wages, short term compensated absences, performanceincentives, expected cost of bonus and ex-gratia are recognised during the period in which the employees renders related services.

(ii) Post-employment benefits

a. Defined Contribution Plan

The defined contribution plan is post-employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no legal or constructive obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Labour Welfare Fund and Employee State Insurance Scheme. The Company's contributions to defined contribution plans are recognised in the statement of profit & loss in the period in which the employee renders the related services.

b. Defined benefit plan

The Company has defined benefit plans comprising of gratuity. Company's obligation towards gratuity liability is funded and is managed by Life Insurance Corporation of India (LIC). The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the statement of profit & loss in subsequent periods.

The expected return on plan assets is the Company's expectation of average long-term rate of return on the investment of the fund over the entire life of the related obligation. Plan assets are measured at fair value as at the Balance Sheet date.

Gains or losses on the curtailment or settlement of defined benefit plan are recognised when the curtailment or settlement occurs.

(iii) Other long-term benefits

The Company has other long-term benefits in the form of leave benefits. The present value of the other long term employee benefits is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions are recognised immediately in the statement of profit & loss as income or expense.

Gains or losses on the curtailment or settlement of other long-term benefits are recognised when the curtailment or settlement occurs.

l) Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for such capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs consist of interest and other costs that are incurred in connection with the borrowing of funds.

m) 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.

n) 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 regulation are subject to interpretation and creates provisions where appropriate.

Deferred Tax:

Deferred Tax is recognised using Balance sheet approach, 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 offset 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 and 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.

o) Earning per share:

Basic earning 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 earning 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.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur

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

(a) Depreciation and useful lives of Property, Plant and Equipment:

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

(b) Investment Property:

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

(c) Defined Benefit plans:

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

(d) 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.

(e) 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 judgment 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.

Estimates and judgments are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. They are continuously evaluated.

(f) Fair Value measurement:

The Company measures financial instrument such as certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or Liabilities

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4A. Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

- Specified format for disclosure of shareholding of promoters.

- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Sparkle One Mall Developers Private Limited
(CIN No. U70109MH2017PTC299103)
Notes to financial statements for the year ended 31st March, 2021
Note 5: Property, Plant & Equipment

Amount in Rs.

Particulars	Tangible Assets							Capital Work in Progress
	Land	Computer	Air Conditioner	Furniture & Fixtures	Office Equipment	Software	Total Tangible Assets	
Gross Block								
As at 1st April, 2019	6,99,55,69,707	1,38,060	-	-	-	-	6,99,57,07,767	-
Additions	-	14,13,184	5,37,643	2,55,460	8,91,400	2,64,626	33,62,313	-
As at 31st March, 2020	6,99,55,69,707	15,51,244	5,37,643	2,55,460	8,91,400	2,64,626	6,99,90,70,080	-
Additions	-	1,95,683	-	-	-	-	1,95,683	-
As at 31st March, 2021	6,99,55,69,707	17,46,927	5,37,643	2,55,460	8,91,400	2,64,626	6,99,92,65,763	-
Accumulated Depreciation								
As at 31st March,2019	-	239	-	-	-	-	239	-
Charge for the year	-	3,77,106	2,36,267	49,889	3,87,296	1,09,192	11,59,750	-
As at 31st March,2020	-	3,77,345	2,36,267	49,889	3,87,296	1,09,192	11,59,989	-
Charge for the year	-	4,88,971	1,35,836	53,215	2,27,210	98,171	10,03,403	-
As at 31st March,2021	-	8,66,315	3,72,103	1,03,104	6,14,505	2,07,364	21,63,392	-
Net Book Value								
As at 31st March,2020	6,99,55,69,707	11,73,899	3,01,376	2,05,571	5,04,104	1,55,434	6,99,79,10,091	1,41,34,16,577
As at 31st March,2021	6,99,55,69,707	8,80,612	1,65,540	1,52,356	2,76,895	57,262	6,99,71,02,371	2,22,29,57,452

Sparkle One Mall Developers Private Limited

Sparkle One Mall Developers Private Limited
(CIN No. U70109MH2017PTC299103)
Notes to financial statements as at 31st March,2021

Amount in Rs.

Notes	Particulars	As at 31st March, 2021	As at 31st March, 2020
6	**Other non-current Assets**		
	Prepaid Expenses	4,61,244	26,50,563
	Deposits	12,00,210	-
		16,61,454	**26,50,563**
7	**Investment**		
	Investment Mesured at Fair value through Profit & Loss		
	DSP Mutual Fund 21,718.788 Units(31st March 2020 :Nil of Rs.Nil) of Rs.2,919.6587, fully paid up	6,34,11,448	-
	Kotak Saving Fund Nil Units(31st March 2020 : 226206.24 of Rs.32.0935) of Rs.Nil, fully paid up	-	72,59,750
	L&T Overnight Fund-Growth Nil Units(31st March 2020 : 16436.21 of Rs.1485.66) of Rs.Nil, fully paid up	-	2,44,18,728
		6,34,11,448	**3,16,78,477**
8	**Cash & Cash Equivalents**		
	Balances with Banks	52,56,166	3,51,23,449
	Cash on hand	23,593	70,691
		52,79,759	**3,51,94,140**
9	**Bank Balance other than above**		
	Deposit with Bank (Maturity more than 3 months & less than 12 months)	1,99,00,000	-
		1,99,00,000	**-**
10	**Other Financial Assets**		
	Interest Accrued on Fixed Deposit	1,64,925	-
		1,64,925	**-**
11	**Current Tax Assets (net)**		
	Income Tax Paid (Net of provision)	2,49,212	-
		2,49,212	**-**
12	**Other Current Assets**		
	Balances with Statutory/Government Authorities	2,09,20,489	1,06,58,957
	Advances to Vendors	81,42,783	16,08,71,261
	Prepaid Expenses	29,87,967	22,87,129
	Advance to Employee	-	18,703
		3,20,51,239	**17,38,36,050**
13	**Equity Share Capital**		
	Authorised		
	10,002 Equity Shares (31st March 2020 : 10,002) of Rs.10/- each fully paid up	1,00,020	1,00,020
		1,00,020	**1,00,020**
	Issued, Subscribed and paid up		
	10,002 Equity Shares (31st March 2020 : 19,002) of Rs.10/- each fully paid up	1,00,020	1,00,020
		1,00,020	**1,00,020**
	a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period	**No. of Shares**	**No. of Shares**
	Shares outstanding at the beginning the year	10,002	10,002
	Shares Issued during the year	-	-
	Shares outstanding at the end of the year	**10,002**	**10,002**
	b) Shares held by Holding Company		
	Equity Share Capital - Island Star Mall Developers Private Ltd. 10,000 equity shares of Rs 10 each fully paid	10,000	10,000

c) Details of shareholders holding more than 5% Shares in the company	**March 31, 2021**		**March 31, 2020**	
Equity Shares of Rs. 10/- each fully paid	**Number of shares**	**% of Holdings**	**Number of shares**	**% of Holdings**
Island Star Mall Developers Pvt. Ltd., holding company	10,000	99.98	10,000	99.98

Sparkle One Mall Developers Private Limited

Sparkle One Mall Developers Private Limited
(CIN No. U70109MH2017PTC299103)
Notes to financial statements as at 31st March,2021

Amount in Rs.

Notes	Particulars	As at 31st March, 2021	As at 31st March, 2020
	d) Terms of Issue		
	The Company has only one class equity shares having face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. Equity share holder are also entitled to dividend as and when proposed by the Board of Director and approved by Share holders in Annual General Meeting. In the event of liquidation of the company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all Preferential amounts which shall be in proportion to the number of shares held by the Shareholders.		

Amount in Rs.

Notes	Particulars	As at 31st March, 2021	As at 31st March, 2020
14	**Other Equity**		
	Retained Earnings		
	As per last Balance sheet	(58,59,052)	(16,14,583)
	Add:- Net Profit/(Loss) for the current year	(25,08,461)	(42,44,469)
	Closing Balance	**(83,67,513)**	**(58,59,052)**
	Optionally Convertible Debetures- Island Star Mall Developers Pvt. Ltd 0.0001% Optionally Convertible Debentures ("OCD") of Rs.10/- each fully paid-up One Debenture having a face value of Rs. 10/- (Rupees Ten Only) each shall convert into one equity share with a face value of Rs. 10/- (Rupees Ten Only)	9,08,00,00,000	8,38,00,00,000
		9,07,16,32,487	**8,37,41,40,948**
	Nature and Purpose of Reserves		
	a) 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.		
15	**Other Financial Liabilities**		
	Deposits	4,74,19,769	4,43,46,389
		4,74,19,769	4,43,46,389
16	**Provisions**		
	Gratuity	33,16,249	29,37,874
	Compensated Absences	14,47,359	16,66,301
		47,63,608	46,04,175
17	**Borrowings**		
	(Unsecured)		
	Inter Corporate Deposit (from Holding Company) -Repayable on Demand	10,00,00,000	-
		10,00,00,000	**-**
18	**Trade Payables**		
	Micro and Small Enterprises #	-	-
	Others	2,89,654	23,900
		2,89,654	**23,900**
19	**Other Current Financial Liabilities**		
	Interest Accrued on ICD	6,02,507	-
	Interest Accrued on OCD	15,484	6,883
	Creditor for Capital Items	7,88,06,977	4,72,04,251
		7,94,24,968	4,72,11,134
20	**Current Tax Liability (Net)**		
	Provisions for Taxation (Net of taxes Paid)	-	8,38,550
		-	**8,38,550**
21	**Provisions**		
	Gratuity	2,00,000	1,53,628
	Compensated Absences	94,294	96,697
		2,94,294	2,50,325
22	**Other Current Liabilities**		
	Statutory Dues	33,86,611	62,28,339
	Salary Payable	1,39,995	22,19,609
	Provisions for Expenses	3,53,26,454	17,47,22,509
		3,88,53,060	18,31,70,457

Sparkle One Mall Developers Private Limited

Sparkle One Mall Developers Private Limited
(CIN No. U70109MH2017PTC299103)
Notes to financial statements for the year ended 31st March,2021

Notes	Particulars	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
23	**Other Expenses**		
	Printing & Stationary	22,201	55,240
	Audit Fees	20,000	25,000
	Legal and Professional Expenses	3,48,700	3,58,312
	Housekeeping Charges	36,556	35,289
	Bank Charges	37,690	46,271
	Conveynce	6,513	97,869
	Donation	-	7,00,000
	Travelling Expenses	18,541	22,991
	Miscellaneous Expenses	3,94,857	2,73,747
		8,85,058	**16,14,719**

Sparkle One Mall Developers Private Limited
Notes on Financial Statements for the year ended 31st March, 2021

24 Earning per Share (EPS)

(Amount in Rs.)

Sr.No.	Particulars	2020-21	2019-20
i)	Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	(25,08,461)	(42,44,469)
ii)	Weighted Average number of equity shares used as denominator for calculating EPS	10,020	10,020
iii)	Basic & Diluted Earning per share	(250.80)	(424.36)
iv)	Face Value per equity share	10.00	10.00

25 Fair Value of Financial assets and Liabilities:

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

(Amount in Rs.)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets designated as Fair value through Profit & Loss				
Investments	6,34,11,448	6,34,11,448	3,16,78,477	3,16,78,477
Financial assets designated at amortised cost				
Cash and Cash Equivalents	52,79,759	52,79,759	3,51,94,140	3,51,94,140
Other Bank Balance	1,99,00,000	1,99,00,000	-	-
Other Financial Assets	1,64,925	1,64,925	-	-
Total	8,87,56,132	8,87,56,132	6,68,72,617	6,68,72,617
Financial liabilities designated at amortised cost				
Trade payables and others	2,89,654	2,89,654	23,900	23,900
Borrowings	10,00,00,000	10,00,00,000	-	-
Other Financial Liabilites	12,68,44,737	12,68,44,737	9,15,57,523	9,15,57,523
Total	22,71,34,392	22,71,34,392	9,15,81,423	9,15,81,423

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 following methods and assumptions were used to estimate the fair values

1 Fair value of Long term borrowings is calculated based on the discounted cash flow.

2 Fair value of Investments in mutual funds is calculated based on NAV declared by fund.

3 Fair value of Financial Assets & Financial Liability(except long term borrowings) are carried at amortised cost is not materially different from it's carrying cost.

Fair Value hierarchy:

The following table provides the fair value measurement hierarchy of Company's set and liabilities, grouped into Level 1 to Level 3 as described below:

Level 1: Quoted prices / published NVA (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

	2020-21			2019-20		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets /Liabilities measured at fair value						
Financial Assets:						
Investments in Mutual Fund	-	6,34,11,448	-	-	3,16,78,477	-

26 Financial risk Management:

The Company's financial liabilities comprise , trade payables, borrowings and other payables. 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's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risks which the entity is exposed to and how it mitigates that risk.

Sparkle One Mall Developers Private Limited

- **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.
- **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 borrowings as at the respective reporting dates.

- **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 and from its financing activities, including deposits with banks, mutual funds and financial institutions and other financial instruments.
  Cash and cash equivalents an other investments
  The Company is exposed to counter party risk relating to medium term deposits with banks and investment in mutual funds.
  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, 2021 is as follows:

  Financial assets for which loss allowances is measured using 12 months Expected Credit Losses (ECL):

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and Cash Equivalents	52,79,759	3,51,94,140
Other Bank Balance	1,99,00,000	-
Other Financial Assets	1,64,925	-

- **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.

(Amount in Rs.)

Particulars	As at March 31, 2021					
	Carrying Amount	On Demand	Less than 12 months	1 - 5 Years	>5 years	Total
Borrowings	10,00,00,000	10,00,00,000	-	-	-	10,00,00,000
Other Financial Liabilities	12,68,44,737	7,94,24,968	-	4,74,19,769	-	12,68,44,737
Trade and other payables	2,89,654	2,89,654	-	-	-	2,89,654

Particulars	As at March 31, 2020					
	Carrying Amount	On Demand	Less than 12 months	1 - 5 Years	>5 years	Total
Other Financial Liabilities	9,15,57,523	4,72,11,134	-	4,43,46,389	-	9,15,57,523
Trade and other payables	23,900	23,900	-	-	-	23,900

Soarble One Mall Developers Private Limited *

- **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, 2021

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, less cash and short term deposits.

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans and Borrowings	10,00,00,000	-
Less: Cash and cash equivalents + Bank Deposits	2,51,79,759	3,51,94,140
Net Debt	7,48,20,241	(3,51,94,140)
Total Capital	9,07,17,32,507	8,37,42,40,968
Capital+Net Debt	9,14,65,52,748	8,33,90,46,828
Gearing Ratio	0.01	-

27 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:

a) Related Party with whom transactions have been taken place and relationships:

Name of the party	Relationship
Island Star Mall Developers Pvt. Ltd	Holding Company
Marketcity Resources Private Limited	Fellow Subsidary

b) Transactions during the year:

(Amount in Rs.)

Sr. No.	Name of the Related Party	Nature of transactions				
		Inter Corporate Deposit Received	Inter Corporate Deposit Repaid	OCD - Issued	Interest on OCD/ICD Capitalised	Project Management Consultancy Fees / Shared Services
1	Island Star Mall Developers Pvt. Ltd	34,00,00,000 (1,10,00,00,000)	24,00,00,000 (1,15,00,00,000)	70,00,00,000 (1,25,00,00,000)	1,28,73,259 (1,01,26,828)	- -
2	Marketcity Resources Private Limited	- -	- -	- -	- -	4,92,12,735 (7,51,67,527)

c) Closing Balance as on March 31, 2021:

(Amount in Rs.)

Sr. No.	Name of the Related Party	Nature of transactions			
		Borrowings	OCD - Issued	Other Current Liabilities	Project Management Consultancy Fees / Shared Services
1	Island Star Mall Developers Pvt. Ltd	10,00,00,000 -	9,08,00,00,000 (8,38,00,00,000)	6,17,991 (6,883)	- -
2	Marketcity Resources Private Limited	- -	- -	- -	1,74,41,111 (3,69,07,333)

Note:- Figures in bracket represents previous year figures.

1. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
2. Review of outstanding balances is undertaken each financial year through examining the financial position of the related party and the market in which related party operates. These balances are unsecured and their settlement occurs through Banking channel.

Mall Developers Private Limited

Sparkle One Mall Developers Private Limited
Notes on Financial Statements for the year ended 31st March, 2021

(Amount in Rs.)

	Particulars	2020-21	2019-20
28	**Taxation**		
	Income tax related to items charged or credited to profit or loss during the year:		
	A Statement of Profit or Loss		
	1 Current Income Tax	6,20,000	14,70,000
		6,20,000	14,70,000
	B Reconciliation of Current Tax expenses:		
	Profit /(Loss) from Continuing operations	(18,88,461)	(27,74,469)
	Applicable Tax Rate	25.17%	25.17%
	Computed tax expenses	**(4,75,288)**	**(6,98,278)**
	Additional disallowances for tax purpose	2,67,321	4,87,261
	Additional allowances for tax purpose	(1,78,377)	(2,32,556)
	Additional allowances for capital gain	3,93,870	17,29,741
	Additional allowances for other income	5,42,236	-
	Other disallowances for tax purpose	70,238	1,83,832
		6,20,000	14,70,000

29 Contingent Liabilities

(a) During the previous year, the Company has filed Writ Petition against Bruhat Bengaluru Mahanagara Palike relating to ground rent for an amount of Rs. 6,90,52,654/-. Out of this, Company's share of liability is Rs. 5,64,78,256/- (Previous Year Rs. 5,64,78,256), balance has to be paid by L&T Constructions Equipment Limited. In the event of Company loosing the petition.

(b) During FY 2018-19, L&T Constructions Equipment Limited has filled writ petition challenging the ground rent imposed by Bruhat Bengaluru Mahanagara Palike amounting to Rs. 11,66,43,576/-. The Company is liable to pay Rs. 7,51,41,963/- (Previous Year Rs. 7,51,41,963) in the event of L&T Constructions Equipment Limited lossing the petition.

(c) Estimated amount of contracts remaining to be executed on capital account and not provided for in the accounts is ₹ 1,38,17,95,791/- (P.Y. ₹ 1,53,30,96,272/-)

30 Employees Benefits:

Expenses recognised for Defined contribution plan:

	2020-21	2019-20
Company's Contribution to Provident Fund	6,35,289	4,65,783
Company's Contribution to Employees State Insurance	-	-
	6,35,289	4,65,783

Expenses recognised for Defined benefits plan:

The company provides gratuity benefit to its employees which are a defined benefit plan. The present value of obligations is determined based on actuarial valuation using the Projected Unit Credit Method.

		Gratuity (Funded) 2020-21	2019-20
1	**Change in Defined Benefit Obligation during the year**		
	Defined Benefit Obligation at the beginning of the year	30,91,502	4,92,976
	Interest Cost	2,33,864	43,996
	Current Service Cost	4,75,814	84,114
	Past Service Cost	-	-
	Actuarial (gain)/loss on Defined Benefit Obligation	(2,84,931)	24,70,416
	Benefits Paid	-	-
	Defined Benefit Obligation at the end of the year	35,16,249	30,91,502
2	**Change in fair value of Plan Assets during the year**		
	Fair value of Plan Assets at the beginning of the year	-	-
	Expected Return on plan assets	-	-
	Contribution	15,000	-
	Benefits paid during the year	-	-
	Actuarial (gain)/loss on Plan Asset	-	-
	Fair value of Plan Assets at the end of the year	15,000	-
3	**Amount to be recognized in Balance sheet:**		
	Present value of Defined Benefit Obligation	35,16,249	30,91,502
	Fair Value of plan assets at the end of the year	-	-
	Amount recognized in Balance sheet	35,16,249	30,91,502
4	**Current / Non - current bifurcation:**		
	Current benefit obligation	2,00,000	1,53,628
	Non - current benefit obligation	33,01,249	29,37,874
5	**Expenses Capitalised in CWIP**		
	Current Service Cost	4,75,814	84,114
	Interest cost on obligation	2,33,864	43,996
	Expected Return on plan assets	-	-
	Past Service Cost	-	-
	Actuarial (gain)/losses	-	-
	Expense recognized in the statement of Profit & Loss account	7,09,678	1,28,110
6	**Recognised in CWIP Other Comprehensive Income for the year**		
	Amount recognized in OCI, Beginning of Period	24,70,416	-
	Remeasurement due to:		
	Effect of change in financial assumptions	(1,03,789)	71,852
	Effect of change in demographic assumptions	-	-
	Effect of experience adjustments	(1,81,142)	23,98,564
	Return on plan of assets(excluding interest)	-	-
	Net Actuarial (gain)/loss recognized for the year	21,85,485	24,70,416

Sparkle One Mall Developers Private Limited

7	Maturity profile of defined benefit obligation		
	Within the next 12 months	1,92,264	-
	Between 2 to 5 years	11,06,879	-
	Between 5 to 10 years	14,27,568	-
8	**Acturial assumptions used for estimating defined benefit obligations**		
	Discount Rate	7.00%	6.70%
	Salary Escalation Rate	5.00%	5.00%
	Expected Rate of Return on Assets	NA	NA
	Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
	Attrition/ Withdrawal Rate	5%	5%
	The weighted average duration of plan	12.36 years	11.79 years

	No. of Employees	28	28
	Average Age	39.38	38.81
	Total Salary	11,52,200	12,04,700
	Average Salary	41,150	43,025
	Average Service	5.7	4.72
	Accrued Benefit	40,22,365	34,54,615
	Actuarial Liability	-	-

Notes:

1 Salary escalation rate is arrived after taking into account regular increaments, price inflation and promotion and other relevant factors such as supply and demand in employment market.

2 Discount rate is based on prevailing market yields of Indian Government Securities as at balance sheet date for estimated term of obligations.

3 Attrition rate/ withdrawal rate is based on Company's policy towards retention of employees, historical data and industry outlook.

4 Expected contribution to defined benefit plans for the financial year 2021-22 is Rs.2,00,000/-

5 The above information is certified by actuary.

6 **Sensitivity analysis:**

Increase/ (decrease) on present value of defined benefits obligations at the end of the year:

	Change in assumption	Effect on Gratuity obligation	
		2020-21	2019-20
Discount rate	+1%	(3,14,138)	(2,77,351)
	-1%	3,65,326	3,22,927
Salary Escalation rate	+1%	2,30,368	1,95,246
	-1%	(2,24,042)	(1,95,907)
Attrition Rate	+1%	35,253	25,609
	-1%	(42,167)	(31,587)

These gratuity plan typically expose to the company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment Risk:
The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yield at the end of reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk
A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity risk
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk
The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Other Long Term Benefit Plan - Compensated Absences

Particulars	2020-21	2019-20
Present value of unfunded obligations		-
Expenses capitalised in CWIP	82,147	14,51,409
In Other comprehensive income	-	-
Actuarial (Gain) / Loss - Plan liabilities	-	-
Actuarial (Gain) / Loss - Return On Plan Assets	-	-
Net (Income)/ Expense For the period Recognized in OCI	-	-
Discount rate (per annum)	7.00%	6.70%
Salary escalation rate (per annum)	7.00%	7.00%

31 **Segment reporting:**

The Company is mainly engaged in Real Estate, Construction Operation and Management of mall. 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'.

32 **Estimation uncertainty relating to the global health pandemic on covid 19**

The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

COVID19 is significantly impacting business operation of the companies, by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lock down of production facilities etc. On 24th March 2020, the Government of India ordered a nationwide lockdown for 21 days which further got extended till 3rd May, 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities.

In assessing the recoverability of Company's assets, the Company has considered internal and external information. The company has performed sensitivity analysis on the assumptions used basis the internal and external information / indicators of future economic conditions, the Company expects to recover the carrying amount of the assets.

Sparkle One Mall Developers Private Limited

33 Trade payable 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 statement, as per the management.

34 The previous year figures have been regrouped , reworked, rearranged and reclassified, wherever 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
Chartered Accountants
Firm Registration No.: 103173W

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

Chintan A Ghelani
Partner
Membership No.: 104391

Place : Mumbai
Date : 26th May 2021

For and on behalf of the Board of Directors

Sparkle One Mall Developers Private Limited

Rajesh Kulkarni
Director
DIN No. 03134336

Pawan Kakumanu
Director
DIN No. 07584653