

## **Independent Auditor's Report**

To The Members of  
Evinos Buildwell Limited

### **Report on the Audit of Standalone Ind AS Financial Statements**

#### **Opinion**

We have audited the accompanying standalone Ind AS financial statements of **Evinos Buildwell Limited** ("the company") which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Statement of Cash Flows for the period ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations give to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principal generally accepted in India, of the state of affairs of the company as at March 31, 2020, the loss and total comprehensive income, change in equity and its cash flows for the period ended on that date.

#### **Basis for opinion**

We conduct 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 *Auditors Responsibilities for the Audit of Standalone Financial Statements* section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other Ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Information other than the Standalone Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprise the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board Report's, 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, is doing so, consider whenever the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the 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 Companies Act’ 2013 (“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, cash flows and changes in equity of the Company in accordance with 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimate 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 Ind AS financial statements that give a true and fair view and 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 relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

The board of directors are responsible for overseeing the Company’s financial 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.

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

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

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

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

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

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

1. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms Section 143(11) of the Companies Act, 2013, we give in the “**Annexure A**” statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), the statement of change in equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken by Board of Directors, none of the director is disqualified as on March 31, 2020 from being appointed as directors 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**”. Our report express an unmodified opinion on the adequacy and operative effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with 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 does not have any pending litigations which would impact its standalone financial position.
  - ii) The Company did not have any long-term contracts including derivative contracts 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.

**For Sumit Mohit & Company**  
**Chartered Accountants**  
**FRN: 021502N**

**Sumit Garg**  
**(Partner)**  
**M. No.: 506945**  
**Place: New Delhi**  
**Date: June 08, 2020**  
**UDIN: 20506945AAAADM5097**

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

### **(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Evinos Buildwell Limited of even date)**

- (i) The Company does not have any fixed assets; accordingly, the provisions of clause 3(i) of the Order are not applicable to the Company.
- (ii) The Company does not have any inventories; accordingly, the provisions of clause 3(ii) of the Order are not applicable to the Company.
- (iii) As informed, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently, the provisions of clause (iii)(a), (iii)(b) and (iii)(c) of the other are not applicable to the company.
- (iv) The Company has been complied all the provisions of Section 185 and 186 in respect of loans, investments, guarantees, and security.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of directives issues by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. No order has been passed by the Company Law Board of National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the products of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, duty of Customs, duty of Excise, value added tax and cess and any other statutory dues to appropriate authority have generally been regularly deposited during the year by the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess and other statutory dues were in arrears, as at March 31, 2020 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us and the records of the Company examined by us, as at March 31, 2020, there are no dues of sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- (viii) The Company has no dues in respect of a financial institution, bank, Government or debenture holders.
- (ix) The Company has not raised any money by way of Initial Public Offer or further public offer (including debt instruments) and term loans.
- (x) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year nor have we been informed of such case by the management.

- (xi) The Company has not paid any managerial remuneration therefore the provision of Section 197 of Companies Act 2013 has not been applicable.
- (xii) The company is not a Nidhi company, therefore the provisions of paragraph 3(xii) of the order is not applicable.
- (xiii) According to the information and explanations given to us and on the basis of our examination of books of accounts, the company has not granted any loans secured or unsecured, to companies, firms and other parties listed in the register maintained section 177 and 188 of companies Act 2013. Consequently the provisions of the order are not applicable to the company.
- (xiv) Company has not made any preferential allotment or private placement of Shares or fully or partly convertible debentures and hence reporting under clause (xiv) of order is not applicable to the Company.
- (xv) Company has not entered into any non-cash transaction with directors or person connected with him and therefore the provisions of section 192 of the Companies Act' 2013 has been complied with.
- (xvi) Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Sumit Mohit & Company**  
**Chartered Accountants**  
**FRN: 021502N**

**Sumit Garg**  
**(Partner)**  
**M. No.: 506945**  
**Place: New Delhi**  
**Date: June 08, 2020**  
**UDIN: 20506945AAAADM5097**

## **ANNEXURE B TO INDEPENDENT AUDITORS' REPORT**

**(Referred to in paragraph 2(f) under 'Report on other Legal and regulatory requirements' section of our report to the members of Evinos Buildwell Limited of even date)**

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

We have audited the internal financial controls over financial reporting of **Evinos Buildwell Limited, ("the Company")** as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

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

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

#### **Auditors' Responsibility**

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

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

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

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

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

standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls with reference to financial reporting were operating effectively as at 31 March 2020, based on the 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 Sumit Mohit & Company**  
**Chartered Accountants**  
**FRN: 021502N**

**Sumit Garg**  
**(Partner)**  
**M. No.: 506945**  
**Place: New Delhi**  
**Date: June 08, 2020**  
**UDIN: 20506945AAAADM5097**



**Evinos Buildwell Limited**  
**Balance Sheet as at 31 March 2020**  
*(All amounts in Rs.thousand unless stated otherwise)*

	Note	As at 31 March 2020
<b>Assets</b>		
<b>Non-current assets</b>		
Other non-current assets	4	3,264,000.00
<b>Total non-current assets</b>		<b>3,264,000.00</b>
<b>Current assets</b>		
Financial assets		
Cash and cash equivalents	5	584.67
<b>Total current assets</b>		<b>584.67</b>
<b>Total assets</b>		<b>3,264,584.67</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity share capital	6	500.00
Other equity	7	(74,255.37)
<b>Total equity</b>		<b>(73,755.37)</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	8	3,330,960.00
Trade payables	9	
-Total outstanding due to micro enterprises and small enterprises		-
-Total outstanding due to creditors other than micro enterprises and small enterprises		15.00
Other current liabilities	10	7,365.04
<b>Total current liabilities</b>		<b>3,338,340.04</b>
<b>Total equity and liabilities</b>		<b>3,264,584.67</b>

The accompanying notes form an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date

**For Sumit Mohit & Company**  
Chartered Accountants  
Firm registration no.: 021502N

**For and on behalf of the Board of Directors**

**Sumit Garg**  
Partner  
Membership No. 506945  
Place: New Delhi  
Date: 08 June 2020

**Mohd.Vaseem Raja**  
Director  
DIN: 7709789  
Place: New Delhi  
Date: 08 June 2020

**Lalit Kumar Sharma**  
Director  
DIN: 7700486  
Place: New Delhi

**Evinos Buildwell Limited****Statement of profit and loss for the period from 17 June 2019 to 31 March 2020***(All amounts in Rs.thousand unless stated otherwise)*

	Note	<u>Period from 17 June 2019 to 31 March 2020</u>
<b>I Expenses</b>		
Finance costs	11	74,212.84
Other expenses	12	42.53
<b>Total expenses</b>		<u>74,255.37</u>
<b>II Loss before tax (I)</b>		<b>(74,255.37)</b>
<b>III Tax expense</b>	13	-
Current tax		-
Deferred tax		-
Total tax expenses		<u>-</u>
<b>IV Loss for the year (II-III)</b>		<u><b>(74,255.37)</b></u>
<b>V Other comprehensive income</b>		-
<b>VI Total comprehensive income for the year (IV+V)</b>		<u><b>(74,255.37)</b></u>
<b>VII Earnings per equity share (Rs. 10 per share)</b>	14	
Basic (Rs.)		(1,485.11)
Diluted (Rs.)		(1,485.11)

The accompanying notes form an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date

**For Sumit Mohit & Company**  
Chartered Accountants  
Firm registration no.: 021502N

**For and on behalf of the Board of Directors**

**Sumit Garg**  
Partner  
Membership No. 506945  
Place: New Delhi  
Date: 08 June 2020

**Mohd.Vaseem Raja**  
Director  
DIN: 7709789  
Place: New Delhi  
Date: 08 June 2020

**Lalit Kumar Sharma**  
Director  
DIN: 7700486  
Place: New Delhi

**Evinos Buildwell Limited**  
**Cash Flow Statement for the period from 17 June 2019 to 31 March 2020**  
*(All amounts in Rs.thousand unless stated otherwise)*

	<u>Period ended</u> <u>31 March 2020</u>
<b>A Cash flow from operating activities :</b>	
Net profit/(loss) before tax	(74,255.37)
Adjustments for :	
Interest expenses	73,650.34
	<hr/>
Operating profit/(loss) before working capital changes	(605.03)
Adjustments for:	
Increase / (decrease) in trade payables	15.00
Other current liabilities	7,365.04
Other financial liabilities	-
Other non-current assets	(3,264,000.00)
	<hr/>
Cash generated from / (used in) operations	(3,257,224.99)
Direct taxes paid (net)	-
	<hr/>
<b>Net cash generated from/(used in) operating activities</b>	<b>(3,257,224.99)</b>
	<hr/>
<b>B Cash flow from investing activities :</b>	-
<b>C Cash flow from financing activities</b>	
Proceeds from issue of share capital	500.00
Proceeds From/(Repayment Of) Other Short Term Borrowings (Net)	3,330,960.00
Interest Paid	(73,650.34)
	<hr/>
<b>Net cash generated from/(used in) financing activities</b>	<b>3,257,809.66</b>
	<hr/>
<b>D Net increase/(decrease) in cash and cash equivalents ( A+B+C )</b>	<b>584.67</b>
<b>E Cash and cash equivalents at the beginning of the year</b>	-
	<hr/>
<b>F Cash and cash equivalents at the close of the year ( D + E )</b>	<b>584.67</b>
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Notes to the Statement of Cash flows for the year ended 31 March 2020:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 on 'Cash Flow Statements' as specified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- Cash and cash equivalents as at the close of the year include:

	<u>As at</u> <u>31 March 2020</u>
Cash In Hand	
Balances with Banks:	584.67
- in current accounts	
<b>Cash and Cash Equivalents at the end of the year</b>	<b>584.67</b>
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The accompanying notes form an integral part of these financial statements

This is the Cash Flow Statement referred to in our report of even date

**For Sumit Mohit & Company**  
Chartered Accountants  
Firm registration no.: 021502N

**For and on behalf of the Board of Directors**

**Sumit Garg**  
Partner  
Membership No. 506945  
Place: New Delhi  
Date: 08 June 2020

**Mohd.Vaseem Raja**  
Director  
DIN: 7709789  
Place: New Delhi  
Date: 08 June 2020

**Lalit Kumar Sharma**  
Director  
DIN: 7700486  
Place: New Delhi

**Evinos Buildwell Limited****Statement of Changes in Equity for the period ended 31 March 2020***(All amounts in Rs.thousand unless stated otherwise)***(A) Share capital**

Particulars	Equity Shares	
	Number	Amount
Balance as at 1 April 2019	-	-
Changes in equity share capital during the period	50,000.00	500.00
Balance as at 31 March 2020	50,000.00	500.00

**(B) Other equity**

Particulars	Retained earnings	Total
Balance as at 1 April 2019	-	-
Loss during the year	(74,255.37)	(74,255.37)
Balance as at 31 March 2020	(74,255.37)	(74,255.37)

The accompanying notes form an integral part of these financial statements

This is the Statement of Change in Equity referred to in our report of even date

**For Sumit Mohit & Company**

Chartered Accountants

Firm registration no.: 021502N

**For and on behalf of the Board of Directors****Sumit Garg**

Partner

Membership No. 506945

Place: New Delhi

Date: 08 June 2020

**Mohd.Vaseem Raja**

Director

DIN: 7709789

Place: New Delhi

Date: 08 June 2020

**Lalit Kumar Sharma**

Director

DIN: 7700486

Place: New Delhi

## **Evinos Buildwell Limited**

### **Summary of significant accounting policies and other explanatory information for the period ended 31 March 2020**

*(All amounts in Rs.thousand unless stated otherwise)*

#### **Note - 1**

##### **Company Overview:**

Evinos Buildwell Limited ("EBWL" or "the Company") was incorporated on 17 June 2019 with the main objects of carrying on the business of renting, leasing of a comprehensive range of construction, infrastructure, manufacturing, and mineral handling equipment(s), business of builders, decorators, general and government contractor and engineers, end to end solutions to manage and maintain real estate and/or infrastructure projects and other related activities, in India or abroad. Evinos Buildwell Limited was incorporated as a wholly owned subsidiary of Indiabulls Distribution Services Limited (IDSL) and Indiabulls Vetures Limited (the Ultimate Holding Company) has acquired 100% equity share capital of the Company from IDSL on 16th March 2020. Hence the Company has become a wholly owned subsidiary of Indiabulls Ventures Limited.

#### **Note - 2**

##### **2.1 - Statement of compliance with Indian Accounting Standards (Ind AS):**

The financial statements are prepared under the historical cost convention on an accrual basis in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for all the periods presented in these financial statements.

The financial statements for the year ended 31 March 2020 were authorised and approved for issue by the Board of Directors on 08 June 2020.

##### **2.2 - Historical cost convention**

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

#### **Note - 3**

##### **Significant Accounting Policies:**

###### **a) Use of estimates and judgements:**

In preparing these Ind AS financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

###### **b) Revenue Recognition:**

- Interest income from loans / inter corporate deposits given is recognized on accrual basis using EIR method.
- Income from fee based consultancy is recognised on an accrual basis.
- Dividend Income on units of Mutual Fund is recognized when the right to receive dividend is unconditionally established and any gains/losses are recognized on the date of redemption.

###### **c) Taxes on Income:**

###### **Current tax**

Current Tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Entity's current tax is calculated using tax rate that has been enacted by the end of the reporting period.

###### **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

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**Evinos Buildwell Limited**

**Summary of significant accounting policies and other explanatory information for the period ended 31 March 2020**

*(All amounts in Rs.thousand unless stated otherwise)*

**d) Current versus Non Current Classifications**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset as current when it is :

- (i). Expected to be realised or intended to sold or consumed in normal operating cycle
  - (ii). Held primarily for the purpose of trading
  - (iii). Expected to be realised within twelve months after the reporting period, or
  - (iv). 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 current when :

- (i). It is expected to be settled in normal operating cycle
- (ii). It is held primarily for the purpose of trading
- (iii). It is due to be settled within twelve months after the reporting period, or
- (iv). There is no unconditional right to defer the settlement of liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**e) Property, plant and equipment**

All property, plant and equipment are initially recognised at cost. Cost comprises the purchase price and any directly attributable cost to bring the asset to its working condition for its intended use. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Depreciation on Property, plant and equipment is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Assets costing less than Rs. 5,000 each are fully depreciated in the year of capitalisation.

**f) Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured at the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

**g) Impairment of assets**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**h) Borrowing Costs:**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such assets. All other borrowing costs are charged to revenue.

**i) Provisions, Contingent Liabilities and Contingent Assets:**

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

**j) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another.

**I. Financial assets**

**Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

## **Evinos Buildwell Limited**

### **Summary of significant accounting policies and other explanatory information for the period ended 31 March 2020**

*(All amounts in Rs.thousand unless stated otherwise)*

#### **Subsequent measurement**

##### **Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ('EIR') method. Amortized 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 amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

##### **Debt instrument at FVTOCI (Fair Value through OCI)**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value.

Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

##### **Debt instrument at FVTPL (Fair value through profit or loss)**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

#### **Equity Investments**

All equity investments in entities other than tax free bonds and fixed deposits are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss. Investments in tax free bonds and fixed deposits are measured at amortised cost.

#### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### **Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Trade receivables under Ind AS 18.

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 recognizing impairment loss allowance based on 12-month ECL.

## **II. Financial liabilities**

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

**Evinos Buildwell Limited**

**Summary of significant accounting policies and other explanatory information for the period ended 31 March 2020**

*(All amounts in Rs.thousand unless stated otherwise)*

**Subsequent measurement**

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

**Financial liabilities at amortized cost**

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included in finance costs in the profit or loss. This category generally applies to trade payables and other contractual liabilities.

**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 financial liabilities designated upon initial recognition as 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. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

**Derecognition**

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

**k) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**l) Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.

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**Evinos Buildwell Limited**

**Summary of significant accounting policies and other explanatory information for the period ended 31 March 2020**

(All amounts in Rs.thousand unless stated otherwise)

**Note - 4**

**Other non-current assets**

	As at 31 March 2020
Capital advances, considered good	3,264,000.00
	<u>3,264,000.00</u>

**Note - 5**

**Cash and cash equivalents**

	As at 31 March 2020
Balance with banks	
- in current accounts	584.67
	<u>584.67</u>

**Note - 6**

**Equity Share capital**

**i. Authorised**

	As at 31 March 2020	
	No. of shares	Amount
Equity shares of face value of Rs. 10 each	50,000	500.00
	<u>50,000</u>	<u>500.00</u>

**ii. Issued and subscribed and paid up**

Equity shares of face value of Rs. 10 each fully paid up	50,000	500.00
	<u>50,000</u>	<u>500.00</u>

**iii. Reconciliation of shares outstanding at the beginning and at the end of the reporting year:**

**Equity shares, fully paid-up**

	As at 31 March 2020	
	No. of shares	Amount
Balance at the beginning of the year	-	-
Changes during the year	50,000	500.00
<b>Outstanding at the end of the year</b>	<u>50,000</u>	<u>500.00</u>

**iv. Term/rights attached to equity shares**

a. The Company has only one class of equity shares having a face value of Rs. 10 per share. Each holder of fully paid up equity share is entitled to one vote per share. The final dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

b. 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. The distribution will be in proportion to the number of equity shares held by the shareholders.

**v. Shares held by Shareholders holding more than 5% shares and holding company:**

	As at 31 March 2020	
Name of the Shareholder	No. of Shares held	% of Holding
<b>Equity shares of ₹ 10 each fully paid up</b>		
Indiabulls Ventures Limited and its nominees	50,000	100%
	<u>50,000</u>	<u>100%</u>

**Note - 7**

**Other equity**

	As at 31 March 2020
Retained earnings	(74,255.37)
	<u>(74,255.37)</u>

**Note - 8****Borrowings - Current****As at  
31 March 2020****Unsecured loans**

Inter corporate deposits		
From Holding Company		3,330,960.00
		<u>3,330,960.00</u>
Borrowings in India		3,330,960.00
Borrowings outside India		-
<b>Total</b>		<u><u>3,330,960.00</u></u>

Unsecured loan from holding company is repayable at any time at the option of the Company and carries interest payable at the rate of 8.25% per annum calculated on daily outstanding balances. There is no default in the repayment of the loan or interest at the balance sheet date.

**Reconciliation of liabilities arising from financing activities**

The changes in the Company's liabilities arising from financing activities can be classified as follows:-

	Short term borrowings	Total
<b>1 April 2019</b>	-	-
Cash flows:		
Repayment	-	-
Proceeds	3,330,960.00	3,330,960.00
<b>31 March 2020</b>	<b>3,330,960.00</b>	<b>3,330,960.00</b>

**Note - 9****Trade payables****As at  
31 March 2020**

Total outstanding due to micro enterprises and small enterprises (refer note -21)	-
Total outstanding due to creditors other than micro enterprises and small enterprises	15.00
	<u><u>15.00</u></u>

**Note - 10****Other current liability****As at  
31 March 2020**

Statutory dues payables	7,365.04
	<u><u>7,365.04</u></u>

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**Evinos Buildwell Limited****Summary of significant accounting policies and other explanatory information for the period ended 31 March 2020***(All amounts in Rs.thousand unless stated otherwise)***Note - 11****Finance costs**

	<b>Period from 17 June 2019 to 31 March 2020</b>
Interest on Inter Corporate Deposits	73,650.34
Interest on taxes	562.50
	<b>74,212.84</b>

**Note - 12****Other expenses**

	<b>Period from 17 June 2019 to 31 March 2020</b>
Rates and taxes	10.59
Payment to Statutory Auditors (net of goods and service tax) - For statutory audit	30.00
Bank Charges	0.88
Miscellaneous expenses	1.06
	<b>42.53</b>
* Auditor's remuneration As auditor	30.00
For certification	-

**Note - 13****Tax expenses**

	<b>Period from 17 June 2019 to 31 March 2020</b>
Current tax	-
Deferred tax charge	-
<b>Income tax expense reported in the statement of profit and loss</b>	<b>-</b>

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.168% and the reported tax expense in statement of profit or loss are as follows:

<b>Accounting profit/(loss) before tax expense</b>	(74,255.37)
Income tax rate	25.17%
Expected tax expense	(18,688.59)
<b>Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense</b>	
Adjustment in respect of income tax of previous years	-
Tax losses for which no deferred tax was recognised	18,688.59
Non deductible expenses	-
Income tax expenses recognised in profit & loss account	-

**Note - 14****Earnings per share:**

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting year. Diluted earnings per share are computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of equity shares and potential diluted equity shares are adjusted for stock split, bonus shares and the potential dilutive effect of employee stock option plan as appropriate.

	<b>Period from 17 June 2019 to 31 March 2020</b>
Net Profit(Loss) available for Equity Shareholders (Rs.thousands)	(74,255)
Nominal Value of Equity Shares - (Rs.)	10
Weighted average number of Equity Shares used for computing Basic and Diluted earnings per share	50,000
Earnings Per Share - Basic & Diluted (Rs.)	(1,485.11)

**Evinos Buildwell Limited**

**Summary of significant accounting policies and other explanatory information for the period ended 31 March 2020**

(All amounts in Rs.thousand unless stated otherwise)

**Note - 15**

**Financial instruments**

**A Financial assets and liabilities**

The carrying amounts of financial instruments by category are as follows:

Particulars	Note No.	31 March 2020
<b>Financial assets measured at amortised cost</b>		
Cash and cash equivalents	5	584.67
<b>Total</b>		<b>584.67</b>
<b>Financial liabilities measured at amortised cost</b>		
Borrowings	8	3,330,960.00
Trade payables	9	15.00
<b>Total</b>		<b>3,330,975.00</b>

**B Fair values hierarchy**

Financial assets and financial liabilities measured at fair value in the financial statements are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:

**Level 1:** Quoted prices (unadjusted) for identical instruments in an active market;

**Level 2:** Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

**Level 3:** Inputs which are not based on observable market data (unobservable inputs).

**B.1 Fair value of instruments measured at amortised cost**

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at 31 March 2020	
	Carrying value	Fair value
<b>Financial assets</b>		
Cash and cash equivalents	584.67	584.67
<b>Total</b>	<b>584.67</b>	<b>584.67</b>
<b>Financial liabilities</b>		
Borrowings	3,330,960.00	3,330,960.00
Trade payables	15.00	15.00
<b>Total</b>	<b>3,330,975.00</b>	<b>3,330,975.00</b>

The management assessed that fair values of cash and cash equivalents, loans and trade payables approximate their respective carrying amounts, largely due to the short-term maturities of these instruments. The following methods and assumptions were used to estimate the fair values for other assets and liabilities:

**Note - 16**

**Financial risk management**

**i) Risk Management**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company's risk are managed by a treasury department under policies approved by the board of directors. The board of directors provides written principles for overall risk management. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents	Ageing analysis	Highly rated bank deposits and diversification of asset base and collaterals taken for assets
Liquidity risk	Trade payables	Cash flow forecasts	Committed borrowing and other credit facilities
Market risk - interest rate	Variable rates borrowings and debt securities	Sensitivity analysis	Negotiation of terms that reflect the market factors

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

**A) Credit risk**

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents and loan assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

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**Evinos Buildwell Limited**

**Summary of significant accounting policies and other explanatory information for the period ended 31 March 2020**

(All amounts in Rs.thousand unless stated otherwise)

**a) Credit risk management**

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk
- (ii) Moderate credit risk
- (iii) High credit risk

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

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Cash and cash equivalents	Lifetime expected credit loss or 12 month expected credit loss

**Financial assets that expose the entity to credit risk\***

Particulars	As at 31 March 2020
(i) <b>Low credit risk</b> Cash and cash equivalents	584.67

\* These represent gross carrying values of financial assets, without deduction for expected credit losses

**Cash and cash equivalents**

Credit risk related to cash and cash equivalents is managed by only accepting highly rated banks and accounts in different banks across the country.

Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

**b) Credit risk exposure**

**i) Expected credit losses for financial assets**

As at 31 March 2020	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	584.67	-	584.67

**B) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Company's liquidity positions (also comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The Company also takes into account liquidity of the market in which the entity operates.

**(i) Maturities of financial assets and liabilities**

The tables below analyse the Company financial assets and liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at 31 March 2020	Less than 1 year	1-3 year	More than 3 years	Total
<b>Financial assets</b>				
Cash and cash equivalent	584.67	-	-	584.67
<b>Total undiscounted financial assets</b>	<b>584.67</b>	-	-	<b>584.67</b>
<b>Financial liabilities</b>				
Borrowings	3,330,960.00	-	-	3,330,960.00
Trade payables	15.00	-	-	15.00
<b>Total undiscounted financial liabilities</b>	<b>3,330,975.00</b>	-	-	<b>3,330,975.00</b>
<b>Net undiscounted financial assets/(liabilities)</b>	<b>(3,330,390.33)</b>	-	-	<b>(3,330,390.33)</b>

**C) Market risk**

**a) Interest rate risk**

**i) Liabilities**

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2020 the company did not have any debt securities and other borrowings and accordingly the Company do not have any exposure to interest rate risk.

**ii) Assets**

Company's assets are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**Evinos Buildwell Limited**

**Summary of significant accounting policies and other explanatory information for the period ended 31 March 2020**

*(All amounts in Rs.thousand unless stated otherwise)*

**b) Derivative financial instrument**

The Company has not entered into any derivative instruments during the year. There are no foreign currency exposures as at 31 March 2020.

**c) Price risk**

**i) Exposure**

As at 31 March 2020, the company did not have any financial assets subject to price risk.

**Note - 17**

**Capital management**

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to comply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	As at 31 March 2020
Net debt	3,330,375.33
Total equity	(73,755.37)
<b>Net debt to equity ratio</b>	-

\* Net debt includes current borrowings - cash and cash equivalents.

**Note - 18**

The Company's first accounting period is from 17 June 2019 to 31 March 2020. As this is the first accounting period of the Company, corresponding amounts in respect of previous accounting period are not presented.

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**Evinos Buildwell Limited**

**Summary of significant accounting policies and other explanatory information for the period ended 31 March 2020**

(All amounts in Rs.thousand unless stated otherwise)

**Note - 19**

**Segment Reporting:**

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on analysis of various performance indicators pertaining to business as a single segment. Considering the nature of Company's business and operations and based on the information available with the Chief Operating Decision Maker, there are no reportable segments (business and/or geographical) in accordance with the requirements of Indian Accounting Standard (Ind AS) – 108 on Segment Reporting as specified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

**Note - 20**

**Related party transactions:**

Disclosures in respect of Ind AS - 24 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

**(a) Related parties where control exists:**

<b>Description of relationship</b>	<b>Names of related parties</b>
Ultimate Holding Company	Indiabulls Ventures Limited (upto March 15, 2020)
Holding Company	Indiabulls Ventures Limited (w.e.f. March 16, 2020)
	Indiabulls Distribution Services Limited (upto March 15, 2020)
Entities under common control (Fellow Subsidiary Companies (including step down subsidiaries))	Indiabulls Consumer Finance Limited (formerly Known as IVL Finance Limited)
	Indiabulls Distribution Services Limited (w.e.f. March 16, 2020)
	Indiabulls Consumer Products Limited
	Arbutus Constructions Limited
	Gyansagar Buildtech Limited
	TranServ Limited (formerly known as TranServ Private Limited)
	Pushpanjali Fincon Limited
	Pushpanjali Finsolutions Limited
	Devata Tradelink Limited
	Indiabulls Investment Advisors Limited
	Indiabulls Securities Limited (formerly known as Indiabulls Commodities Limited)
	Auxesia Soft Solutions Limited
	Indiabulls Alternate Investment Limited
	Indiabulls Infra Resources Limited
	Indiabulls Asset Reconstruction Company Limited
	Evinos Developers Limited (w.e.f June 17, 2019)
	Savren Buildwell Limited (w.e.f November 19, 2019)
	Krathis Buildcon Limited (w.e.f November 20, 2019)
	Krathis Developers Limited (w.e.f November 26, 2019)
	Key Management Personnel
Mr. Mohd. Vaseem Raja, Director	
Mr. Akshay Kumar Tiwary, Director	
Mr. Sameer Gehlaut, Individual exercising significant influence	
Mr. Divyesh B Shah, Chief Executive Officer and Whole Time Director of Indiabulls Ventures Limited	

**(b) Significant Transactions with related parties during the period ended 31 March 2020**

Nature of Transaction	Fellow Subsidiary Company
	Period from 17 June 2019 to 31 March 2020
<b>Inter corporate deposit taken (maximum balance outstanding during the period )</b>	
- Indiabulls Distribution Services Limited	3,330,960.00
<b>Interest expenses</b>	
- Indiabulls Distribution Services Limited	73,650.34
<b>Issue of Equity shares</b>	
- Indiabulls Distribution Services Limited	500.00

**(c) Outstanding at period ended 31 March 2020**

Particulars		Fellow Subsidiaries	Total
<b>Loans &amp; Advances</b>	As on		
Inter corporate deposit taken	As at 31 March 2020	3,330,960.00	3,330,960.00

In accordance with Ind AS 24, disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed. Related Party relationships are given above are as identified by the Company and relied upon by the Auditors.

**Evinos Buildwell Limited****Summary of significant accounting policies and other explanatory information for the period ended 31 March 2020***(All amounts in Rs.thousand unless stated otherwise)***Note - 21****Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:**

Particulars	As at 31 March 2020
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting period	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting period	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil
(iv) The amount of interest due and payable for the period	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting period	Nil
(vi) The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**Note - 22**

There are no contingent liabilities and commitments to be reported as at 31 March 2020.

**Note - 23**

Capital commitments outstanding as at 31 March 2020 Rs.816,000.00 Thousands (31 March 2019 Nil).

**Note - 24**

The Company has not entered into any derivative instruments during the period. There are no foreign currency exposures as at March 31 2020.

**Note - 25**

As per the best estimate of the management, no provision is required to be made as per Indian Accounting Standard 37 (Ind AS 37) -- Provisions, Contingent Liabilities and Contingent Assets as specified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

**Note - 26**

In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at 31 March 2020, have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet after appropriate provision. In the opinion of the Board of Directors, no provision is required to be made against the recoverability of such balances, other than as already provided in the financial statements.

**Note - 27**

In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as on 31 March 2020.

As per our report of even date

**For Sumit Mohit & Company**  
Chartered Accountants  
Firm registration no.: 021502N

**For and on behalf of the Board of Directors**

**Sumit Garg**  
Partner  
Membership No. 506945  
Place: New Delhi  
Date: 08 June 2020

**Mohd.Vaseem Raja**  
Director  
DIN: 7709789  
Place: New Delhi  
Date: 08 June 2020

**Lalit Kumar Sharma**  
Director  
DIN: 7700486  
Place: New Delhi