

INDIAN INCOME TAX RETURN ACKNOWLEDGEMENT

[Where the data of the Return of Income in Form ITR-1 (SAHAJ), ITR-2, ITR-3,
ITR-4(SUGAM), ITR-5, ITR-6, ITR-7 filed and verified]
(Please see Rule 12 of the Income-tax Rules, 1962)

Assessment Year
2020-21

PAN	AANCA8905A		
Name	ARPAN MEGASTRUCTURES PRIVATE LIMITED		
Address	98B, 1 EMERTY KUNJ, HARIHAR SINGH ROAD, MORABADI, RANCHI, Jharkhand, 834008		
Status	Pvt Company	Form Number	ITR-6
Filed u/s	139(1)-On or before due date	e-Filing Acknowledgement Number	243773531060221

Taxable Income and Tax details	Description	Sl. No.	Amount
	Current Year business loss, if any	1	0
	Total Income		383110
	Book Profit under MAT, where applicable	2	807312
	Adjusted Total Income under AMT, where applicable	3	0
	Net tax payable	4	125941
	Interest and Fee Payable	5	25238
	Total tax, interest and Fee payable	6	151179
	Taxes Paid	7	151180
	(+)Tax Payable /(-)Refundable (6-7)	8	0
Dividend Tax details	Dividend Tax Payable	9	0
	Interest Payable	10	0
	Total Dividend tax and interest payable	11	0
	Taxes Paid	12	0
	(+)Tax Payable /(-)Refundable (11-12)	13	0
Accreted Income & Tax Detail	Accreted Income as per section 115TD	14	0
	Additional Tax payable u/s 115TD	15	0
	Interest payable u/s 115TE	16	0
	Additional Tax and interest payable	17	0
	Tax and interest paid	18	0
	(+)Tax Payable /(-)Refundable (17-18)	19	0

Income Tax Return submitted electronically on 06-02-2021 17:36:37 from IP address 49.37.81.158 and verified by PANKAJ KUMAR

having PAN AGLPK4912E on 06-02-2021 17:36:37 from IP address 49.37.81.158 using Digital Signature Certificate (DSC).

DSC details: 18240178CN=e-Mudhra Sub CA for Class 2 Organisation 2014,OU=Certifying Authority,O=eMudhra Consumer Services Limited,C=IN

DO NOT SEND THIS ACKNOWLEDGEMENT TO CPC, BENGALURU

UDIN:21423170AAAADX1464

INDEPENDENT AUDITOR'S REPORT

To the Members of ARPAN MEGASTRUCTURES PVT. LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of ARPAN MEGASTRUCTURES PVT. LTD ("the Company"), which comprise the Balance Sheet as at March 31, 2020 and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion



In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2018, its Loss, for the year ended on that date.

Report on Other Legal and Regulatory Requirements

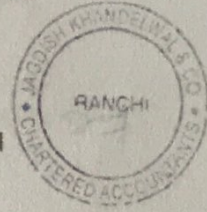
1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 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 purpose 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, and Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company had no pending litigations as on balance sheet date.
 - 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.



Place: Ranchi
Date: 01 December 2020

For Jagdish Khandelwal & Co.
Chartered Accountants
FRN-006166C

CA Saurav Agarwal
Partner
M.No. : 423170



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
STANDALONE FINANCIAL STATEMENTS OF ARPAN MEGASTRUCTURES PVT.
LTD.

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

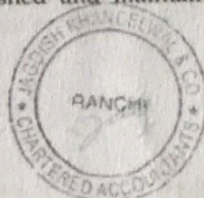
We have audited the internal financial controls over financial reporting of ARPAN MEGASTRUCTURES PVT. LTD. ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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". 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 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 Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

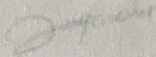


Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on our audit.

For Jagdish Khandelwal & Co.
Chartered Accountants
FRN-006166C

Place: Ranchi
Date: 01 December 2020


CA Saurav Agarwal
Partner
M.No. : 423170



ARPAN MEGASTRUCTURES PVT. LTD.
98, B 1, EMERTY KUNJ HARIHAR SINGH ROAD, MORABADI RANCHI

CIN:-U45201JH2015PTC003250

BALANCE SHEET AS ON 31.03.2020

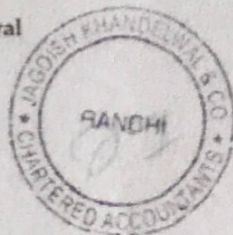
	PARTICULARS	NOTE NO.	Fig. At the end of the Current Reporting Period	Fig. At the end of the Previous Reporting Period
	1	2	3	4
I.	EQUITY AND LIABILITIES			
[1]	Shareholder's Funds			
	[a] Share Capital	1	100,000.00	100,000.00
	[b] Reserves and Surplus	2	(349,319.69)	(946,730.10)
[2]	Non Current Liabilities			
	[a] Deferred Tax Liability(Net)		4,885.56	4,885.56
	[b] Long Term Borrowings			
[3]	Current Liabilities			
	[a] Short Term Borrowings	3	31,653,552.94	30,749,402.92
	[b] Trade Payable		5,491,953.00	356,302.00
	[c] Other Current Liabilities		-	-
	[d] Short Term Provisions	4	2,206,519.00	54,000.00
II.	TOTAL		39,107,590.81	30,317,860.38
[1]	ASSETS			
	Non-Current Assets			
	[a] Fixed Asset			
	(i) Capital WIP		-	-
	(ii) Tangible Assets	5	351,342.78	79,375.49
	[b] Loans & Advances			
	(i) Loans & Advance, Deposit	6	1,697,593.00	2,034,907.48
	Current Assets			
	[a] Trade Receivable		-	-
	[b] Cash and Cash Equivalents	7	1,543,931.05	2,851,597.94
	[c] Inventories	8	33,815,220.00	24,875,738.99
	[d] Preoperative Exp		-	5,000.00
	[e] Other Current Assets	9	1,699,503.98	471,240.48
	TOTAL		39,107,590.81	30,317,860.38

For and on Behalf of
Jagdish Khandelwal & Co
 Chartered Accountants
 FRN-006166C

For & on Behalf of the Board

CA Saurav Agarwal
 Partner
 M. No-423170

Date :01/12/2020
 Place : Ranchi



Pankaj Kumar
 DIN-7290628

Ajay Kumar
 DIN-7290855

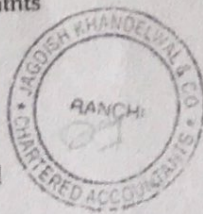
ARPAN MEGASTRUCTURES PVT. LTD.

98, B 1, EMERTY KUNJ HARIHAR SINGH ROAD, MORABADI, RANCHI
 CIN:-U45201JH2015PTC003250

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

PARTICULARS		31ST MARCH, 2020	31ST MARCH, 2019
I.	[a] Revenue From Operations	20,195,000.00	-
	[b] Other Income	8,251.00	-
II.	TOTAL REVENUE	20,203,251.00	-
III.	<u>Expenses:</u>		
	[a] Cost of Raw Material & Component Consumed	9 16,730,680.42	-
	[b] Employee Benefit Expenses	10 2,447,000.00	260,000.00
	[c] Finance Cost	-	-
	[d] Depreciation & Amortization Exp	11 19,473.71	17,904.17
	[e] Administration & Other Expenses	12 198,785.46	130,375.67
	TOTAL EXPENSES	19,395,939.59	408,279.84
IV.	PROFIT BEFORE TAX (III - IV)	807,311.41	(408,279.84)
V.	<u>Tax Expense:</u>		
	[1] Current tax	209,901.00	-
	[2] Deffered tax	-	(4,885.56)
	[3] Income Tax for Earlier year	-	-
VI.	Profit/Loss For The Year After Tax (IV - V)	597,410.41	(413,165.40)
	Earning Per Share		
	(1) Basic	59.74	(41.32)
	(2) Diluted	59.74	(41.32)

For and on Behalf of
Jagdish Khandelwal & Co
 Chartered Accountants
 FRN-006166C



CA Saurav Agarwal
 Partner
 M. No-423170

Date :01/12/2020
 Place : Ranchi

For & on Behalf of the Board

Sd/-
 Pankaj Kumar
 DIN-7290628

Sd/-
 Ajay Kumar
 DIN-7290855

ARPAN MEGASTRUCTURES PVT. LTD.

NOTE NO. 1 TO 12 ANNEXED TO AND FORMING PART OF THE STATEMENT OF ACCOUNT

	AS ON 31ST MARCH, 2020	AS ON 31ST MARCH, 2019	
NOTE NO. - 1			
SHARE CAPITAL			
A) AUTHORISED			
10,000 Equity Shares of ₹ 10/- each	100,000.00	100,000.00	
B) ISSUED, SUBSCRIBED & PAID UP			
10,000 Equity Shares of ₹ 10/- each fully paid up	100,000.00	100,000.00	
	100,000.00	100,000.00	
C) Reconciliation of number and amount of Equity Shares outstanding at the beginning			
PARTICULARS	No.of Shares	Amount(Rs)	
<u>Outstanding at the beginning of the reporting period</u>	10,000	100,000.00	
<u>Add:</u>			
i) <u>Issued on exercise of employees stock options</u>	-	-	
ii) <u>Issued for consideration other than cash</u>	-	-	
iii) <u>Issued for Cash</u>	-	-	
<u>Less: Shares bought back</u>	-	-	
<u>Outstanding at the end of the reporting period</u>	10,000	100,000.00	
D) Shareholder Holding more than 5% shares			
	Equity Shares Held		
Name of Shareholder	% Holding	No.of Shares	Amount(Rs)
Pankaj Kumar	25	2,500	25,000
Ajay Kumar	25	2,500	25,000
Pankaj Kumar	25	2,500	25,000
Sarwan Kumar Misra	25	2,500	25,000
NOTE NO. - 2			
RESERVE & SURPLUS			
Opening Balance	(946,730.10)	(533,564.70)	
Add: Profit During the year	597,410.41	(413,165.40)	
	(349,319.69)	(946,730.10)	



NOTE NO. - 3**Short Term Borrowings**

Advance from Customers	12,246,956.94	14,187,849.92
Loans from Directors	-	6,819,886.00
Abha Rani	1,600,000.00	-
Ajay Kumar	1,100,000.00	-
Anand Kumar	740,000.00	-
Bharat Pd Singh	149,200.00	-
Dr Dashrathi	1,100,000.00	-
Haider and Sons	1,000,000.00	-
N N Singh	351,000.00	-
Pankaj Kumar Singh-HUF -L N Sharma	2,750,000.00	-
Pankaj Kumar-L N Sharma	1,870,059.00	-
Pankaj Kumar-S/o B P Singh	4,219,037.00	-
Ruby Kumari	700,000.00	-
Loans from others	3,827,300.00	9,741,667.00
	31,653,552.94	30,749,402.92

NOTE NO. - 4**SHORT TERM PROVISIONS**

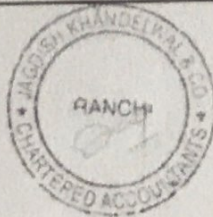
Audit Fee Payable	54,000.00	39,000.00
Filing Fee Payable	20,000.00	15,000.00
Accounting Charges Payable	36,000.00	-
Director Remuneration Payable	1,800,000.00	-
TDS Payable	86,618.00	-
Provision for Income Tax	209,901.00	-
	2,206,519.00	54,000.00

NOTE NO. -6**LOANS & ADVANCES, DEPOSIT****LOANS & ADVANCES**

Manorama Kashyap	500,001.00	500,001.00
Others	1,047,592.00	1,047,592.00
Advances to creditors	-	487,314.48
Advance against Land	50,000.00	-
Fixed Deposits for Tender	100,000.00	-
	1,697,593.00	2,034,907.48



NOTE NO. - 7		
CASH & CASH EQUIVALENTS		
Cash in Hand (As certified by the Management)	425,144.70	22,920.22
Kotak Bank	28,936.11	28,936.11
Union Bank of India	535,298.97	633,337.03
Central Bank of India (6571)	78,736.67	1,511,764.00
Central Bank of India (7431)	475,814.60	654,640.58
	1,543,931.05	2,851,597.94
NOTE NO. -8		
COST OF RAW MATERIAL & COMPONENT		
CONSUMED		
(i) Opening Balance of Raw Material	24,875,738.99	2,348,336.00
Add: Direct Expenses	25,670,161.43	22,527,402.99
	50,545,900.42	24,875,738.99
Less: Closing Balance of Work in Progress	33,815,220.00	24,875,738.99
	16,730,680.42	-
DIRECT EXPENSES		
(i) Labour & Reg Expenses	4,967,608.00	1,394,145.00
(ii) Other Direct Exp	928,200.00	13,805,680.00
(iii) Material Purchases	19,774,353.43	7,327,577.99
	25,670,161.43	22,527,402.99
NOTE NO. -9		
OTHER CURRENT ASSETS		
Input Tax Credit	1,699,503.98	471,240.48
	1,699,503.98	471,240.48
NOTE NO. -10		
EMPLOYEE BENEFIT EXPENSES		
Salary to Employees	647,000.00	260,000.00
Director Remuneration	1,800,000.00	
	2,447,000.00	260,000.00



NOTE NO. -11**DEPRECIATION AND AMORTISATION**

Depreciation	14,473.71	12,904.17
Preliminary Expense Written off	5,000.00	5,000.00
	19,473.71	17,904.17

NOTE NO. - 12**ADMINISTRATIVE & OTHER EXPENSES**

Bank Charges	4,415.37	17,883.70
Office Expenses	-	68,750.00
Mobile Expenses	-	2,489.00
Printing & Stationery	-	2,158.00
Travelling & Conveyance	-	3,596.00
Audit Fee	15,000.00	15,000.00
Filing Fee	5,000.00	5,000.00
Round off	11.09	(1.03)
Advertisement	-	15,500.00
Accounting Charges	36,000.00	-
Catering Exp	90,000.00	-
Consultancy Exp	43,300.00	-
Tender Exp	5,059.00	-
	198,785.46	130,375.67

NOTE NO. - 13**EARNING PER SHARE**

Profit After Taxation	597,410.41	(413,165.40)
Equity Share Outstandig during the year	10,000	10,000
Weighted No. of Equity Shares Outstanding during the period	10,000.00	10,000.00
BASIC EPS	59.74	(41.32)
DILLUTED EPS	59.74	(41.32)



ARPAN MEGASTRUCTURES PVT. LTD.
98, B 1, EMERTY KUNI HARIHAR SINGH ROAD, MORABADI, RANCHI
 CIN:-U45201HH2015PTC003250

FIXED ASSETS

Note No : 5

Particulars	GROSS BLOCK				DEPRECIATION/ AMORTIZATION				NET BLOCK		
	As at April 1,2019	Addition during the year	Dec/Adj during the year	As at March 31,2020	Upto March 31, 2019	For the year	Dec/Adj during the year	Effect on Deprn as per Co. Act,2013	Upto March 31, 2020	As at March 31,2020	As at March 31,2019
TANGIBLE ASSETS											
D G Set	-	286,441.00	-	286,441.00	-	1,569.54	-	1,569.54	284,871.46	-	
Furniture and Fixtures	122,250.00	-	-	122,250.00	42,874.51	12,904.17	-	55,778.68	66,471.32	79,375.49	
TOTAL :	122,250.00	-	-	122,250.00	42,874.51	14,473.71	-	57,388.22	351,342.78	79,375.49	



Arpan Megastructures Private Limited
Notes forming part of the financial statements

Ref No.	Note	Particulars
	1 Corporate information	The Company is engaged in civil engineering and is in starting phase.
	2.1 Basis of accounting and preparation of financial statements	The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
	2.2 Use of estimates	The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.
AS 2.26.a	2.3 Inventories	Since the company is in the starting phase, there is no inventory.
	2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)	Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
AS 3.5.2	2.5 Cash flow statement	Not Mandatory
	2.6 Depreciation and amortisation	The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.
AS 6.29 AS 26.63 AS 26.78 AS 26.90.a		



AS 26.9^a.b
AS 26.9^a.a

2.7 Revenue recognition

Sale of goods

Sales comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Sales are presented, net of value-added tax³, rebates and discounts, and after eliminating sales within the Group. The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured.

Income from services

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred. Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognised when probable.

Revenues from maintenance contracts are recognised pro-rata over the period of the contract.

GN 9.1.3
AS 7.38.a

2.8 Other income

There is no other income.

AS 7.38.b
AS 7.38.c
AS 9.12

2.9 Tangible fixed assets

Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.

Fixed assets acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash consideration. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident. Fixed assets acquired in exchange for securities of the Company are recorded at the fair market value of the assets or the fair market value of the securities issued, whichever is more clearly evident.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Ref No.

2.10 Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.



Ref :	<p>2.11 Borrowing costs</p> <p>Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.</p>
<p>AS 20.10 AS 20.26 AS 20.29 AS 20.32 AS 20.35 AS 20.39</p>	<p>2.12 Earnings per share</p> <p>Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period</p>
<p>AS 22.20 AS 22.21 AS 22.15 AS 22.17 AS 22.26 AS 22.29</p>	<p>Name : Taxes on income</p> <p>2.13 Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.</p> <p>Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists. Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.</p> <p>Provisions and contingencies</p> <p>2.14 A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.</p> <p>Insurance claims</p> <p>2.15 Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.</p>
<p>AS 29.14 AS 29.35</p>	

