

## **INDEPENDENT AUDITORS' REPORT**

**To the Members of Echo Buildtech Private Limited**

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

### **Opinion**

We have audited the accompanying Financial Statements of **Echo Buildtech Private Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss, including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.



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

The Company's management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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



## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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 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 matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of 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, to the extent applicable.
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, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2014, as amended from time to time.
  - (e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, no remuneration was paid by the Company to its directors during the year.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

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- i. There are no pending litigations requiring disclosure of its impact on its financial position in its financial statement.
- 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 Deepak Maurya & Associates*  
*Chartered Accountants*  
Firm registration Number: 029971N



**Deepak Kumar**  
**Proprietor**

Membership No:-529005

UDIN:-21529005AAAACN2410

Place : New Delhi  
Date : 28 June 2021

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

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of the Company of even date)**

- i. a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified annually. In our opinion, this periodicity of physical verification is reasonable having regards to the size of company and the nature of its assets.  
  
c) According to the information and explanations given to us, the records examined by us and based on the examination of conveyance deed / registered sale deeds provided to us, we report that, the title deeds are held in the name of the Company as at the balance sheet date.
- ii. The Company does not have any inventory. Accordingly, paragraph 3 (ii) of the order is not applicable.
- iii. In our opinion and according to information and explanations given to us, 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 Act.
- iv. In our opinion and according to information and explanation given to us, the Company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013 are applicable during the year. Accordingly, paragraph 3 (iv) of the order is not applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits during the year and does not have any unclaimed deposits as at 31 March 2021 from the public as mentioned in the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3 (v) of the order is not applicable.
- vi. In our opinion and according to the information and explanations given to us, the maintenance of cost records under section 148 of the Act is not applicable to the Company. Accordingly, paragraph 3 (vi) of the order is not applicable.
- vii.(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, Income Tax and other applicable material undisputed statutory dues have generally been deposited regularly during the year with the appropriate authorities and there are no arrears of outstanding statutory dues as at the last day of the financial year concerned, for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us, there are no dues of Income Tax and other applicable material statutory dues which have not been deposited as on March 31, 2021 on account of any dispute.
- viii. The Company does not have any loan or borrowings from any financial institution, banks or government. The Company has not issued any debentures during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix. According to the information and explanations given to us, the Company has not raised any money by way of initial public offer, further public offer, debt instrument or term loans during the year and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.



- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, no managerial remuneration has been paid or provided during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Act, where applicable and the details have been disclosed in the notes to the Financial Statements as required by the applicable Indian accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

*For Deepak Maurya & Associates*  
*Chartered Accountants*  
Firm registration Number: 029971N



**Deepak Kumar**  
**Proprietor**

Membership No:-529005

UDIN:-21529005AAAACN2410

Place : New Delhi  
Date : 28 June 2021

## **Annexure 2 to the Independent Auditor's Report**

**(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of the Company of even date)**

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

We have audited the internal financial controls over financial reporting of **Echo Buildtech Private Limited** ("the Company") as of 31 March 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Financial Statements 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 over financial reporting with reference to these Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Financial Statements.





## **Meaning of Internal Financial Controls over Financial Reporting with reference to these Financial Statements**

A company's internal financial control over financial reporting with reference to these Financial Statements 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 with reference to these Financial Statements includes those policies and procedures that:

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

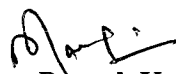
## **Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Financial Statements, 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 with reference to these Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Financial Statements and such internal financial controls over financial reporting with reference to these Financial Statements were operating effectively as at 31 March 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

*For Deepak Maurya & Associates*  
*Chartered Accountants*  
Firm registration Number: 029971N



**Deepak Kumar**  
**Proprietor**

Membership No:-529005

UDIN:-21529005AAAACN2410

Place : New Delhi  
Date : 28 June 2021

**Echo Buildtech Private Limited**

CIN: U00500DL2005PTC138541

E-4, Defence Colony, New Delhi-110024

**Balance Sheet as at March 31, 2021**

(Amount in Rs.)

Particulars	Notes	(Amount in Rs.)	
		As at March 31, 2021	As at March 31, 2020
<b>I ASSETS</b>			
<b>Non-current assets</b>			
Deferred tax asset	3	91,253	82,662
<b>Current assets</b>			
<b>Financial assets</b>			
Cash and cash equivalents	4	98,876	105,425
Other bank balance	5	185,211	179,571
Other financial assets	6	1,767	43
<b>TOTAL ASSETS</b>		<b>377,107</b>	<b>367,701</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	7	500,000	500,000
Other equity	8	(539,058)	(514,608)
<b>Total equity</b>		<b>(39,058)</b>	<b>(14,608)</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	9	291,533	291,533
Other financial liabilities	10	124,632	90,776
		<b>416,165</b>	<b>382,309</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>377,107</b>	<b>367,701</b>
<b>Corporate Information</b>	1		
<b>Significant Accounting Policies</b>	2		
<b>Notes to the Financial Statements</b>	3-25		

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

As per our report of even date.

**For, DEEPAK MAURYA AND ASSOCIATES**

Chartered Accountants

Firm Registration No:-029971N

By the hand of

**Deepak Kumar**


Proprietor

Membership No:-529005

Date: June 28, 2021

New Delhi

UDIN:21529005AAAACN2410

*For and on behalf of Board of Directors of  
Echo Buildtech Private Limited***Santosh Kumar**

Director

DIN:-08925915

H. No. 383, Muhalla Khara,  
Arme Street, Shikohabad,  
Firozabad, UP - 205135**Vikas Sharma**

Director

DIN:-08427569

House No. 161, Sector-6,  
Raj Nagar, Ghaziabad,  
Uttar Pradesh - 201002

**Echo Buildtech Private Limited**

CIN: U00500DL2005PTC138541


E-4, Defence Colony, New Delhi-110024

**Statement of Profit and loss for the year ended March 31, 2021**

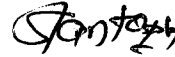
Particulars	Notes	(Amount in Rs.)	
		Year ended March 31, 2021	Year ended March 31, 2020
<b>INCOME</b>			
Other income	11	7,364	10,196
<b>Total income</b>		<u>7,364</u>	<u>10,196</u>
<b>EXPENSES</b>			
Other expenses	12	40,405	41,910
<b>Total expenses</b>		<u>40,405</u>	<u>41,910</u>
<b>Loss before tax</b>		<b>(33,041)</b>	<b>(31,714)</b>
<b>Less: Tax expense</b>			
Current tax		-	-
Deferred tax	3	(8,591)	(82,662)
<b>Profit/(Loss) after tax</b>		<u>(24,450)</u>	<u>50,948</u>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive loss</b>		<u>(24,450)</u>	<u>50,948</u>
<b>Earnings per share [equity share, par value of Rs. 10</b>			
Basic and Diluted	13	(0.49)	1.02
<b>Corporate Information</b>	1		
<b>Significant Accounting Policies</b>	2		
<b>Notes to the Financial Statements</b>	3-25		

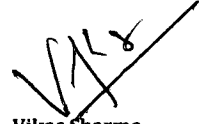
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As per our report of even date.

**For, DEEPAK MAURYA AND ASSOCIATES**  
Chartered Accountants  
Firm Registration No:-029971N  
By the hand of

  
**Deepak Kumar**  
Proprietor  
Membership No:-529005  
Date: June 28, 2021  
New Delhi  
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*For and on behalf of Board of Directors of*  
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**Santosh Kumar**  
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**Vikas Sharma**  
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**Statement of Changes in Equity for the year ended March 31, 2021****a. Authorised Share Capital**

Particulars	Number	Amount (in Rs.)
<b>Equity shares of Rs. 10/- each</b>		
Balance as at April 1, 2019	100,000	1,000,000
Changes in Authorised share capital during year	-	-
<b>Balance as at March 31, 2020</b>	<b>100,000</b>	<b>1,000,000</b>
Balance as at April 1, 2020	100,000	1,000,000
Changes in Authorised share capital during year	-	-
<b>Balance as at March 31, 2021</b>	<b>100,000</b>	<b>1,000,000</b>

**b. Issued, Subscribed and paid up Share Capital**

Particulars	Number	Amount (in Rs.)
<b>Equity shares of Rs. 10/- each</b>		
Balance as at April 1, 2019	50,000	500,000
Changes in equity share capital during year	-	-
<b>Balance as at March 31, 2020</b>	<b>50,000</b>	<b>500,000</b>
Balance as at April 1, 2020	50,000	500,000
Changes in equity share capital during year	-	-
<b>Balance as at March 31, 2021</b>	<b>50,000</b>	<b>500,000</b>

**c. Other equity**

Particulars	(Amount in Rs.)	
	Retained Earning	Total equity attributable to equity holders of Company
Balance as at April 01, 2019	(565,556)	(565,556)
Profit for the year	50,948	50,948
<b>Balance as at March 31, 2020</b>	<b>(514,608)</b>	<b>(514,608)</b>
Balance as at April 01, 2020	(514,608)	(514,608)
Loss for the year	(24,450)	(24,450)
<b>Balance as at March 31, 2021</b>	<b>(539,058)</b>	<b>(539,058)</b>

Corporate Information	1
Significant Accounting Policies	2
Notes to the Financial Statements	3-25

The accompanying notes are an integral part of the financial statements.  
As per our report of even date.

**For, DEEPAK MAURYA AND ASSOCIATES**  
Chartered Accountants  
Firm Registration No:-029971N

**Deepak Kumar**  
Proprietor  
Membership No:-529005  
Date: June 28, 2021  
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**Cash Flow Statement for the year ended March 31, 2021**

Particulars	As at March 31, 2021 Rs.	As at March 31, 2020 Rs.
<b>A. CASH FLOW FROM OPERATIONS</b>		
Loss before tax	(33,041)	(31,714)
Interest receipts	(7,364)	(10,196)
<b>Adjustment for working capital changes:</b>		
Increase/(decrease) in other current liabilities	33,856	37,721
<b>Cash generated from operations</b>	(6,549)	(4,189)
Income tax refund	-	1,070
<b>Net cash from operating activities</b>	<b>(6,549)</b>	<b>(3,119)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest receipts	7,364	-
Investment in Fixed Deposit	(5,640)	-
Interest Accrued	(1,724)	-
<b>Net cash from investing activities</b>	<b>-</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loan taken from related party	-	37,883,533
Loan repaid to related party	-	(37,850,000)
<b>Net cash from financing activities</b>	<b>-</b>	<b>33,533</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(6,549)</b>	<b>30,414</b>
Cash and cash equivalents at the beginning of the year	105,425	75,011
Cash and cash equivalents at the end of the year	98,876	105,425
<b>Corporate Information</b>	<b>1</b>	
<b>Significant Accounting Policies</b>	<b>2</b>	
<b>Notes to the Financial Statements</b>	<b>3-25</b>	

The accompanying notes are an integral part of the financial statements.  
As per our report of even date.

**DEEPAK MAURYA AND ASSOCIATES**

Chartered Accountants

Firm Registration No:-029971N

By the hand of

**Deepak Kumar**

Proprietor

Membership No:-529005

Date: June 28, 2021

Delhi

UDIN:21529005AAAACN2410

For and on behalf of Board of Directors of  
Echo Buildtech Private Limited

  
**Santosh Kumar**

Director

DIN:-08925915

H. No. 383, Muhalla Khara,

Arme Street, Shikohabad,

Firozabad, UP - 205135

**Vikas Sharma**

Director

DIN:-08427569

House No. 161, Sector-6,

Raj Nagar, Ghaziabad,

Uttar Pradesh - 201002

## Echo Buildtech Private Limited

Notes to financial statements for the year ended March 31, 2021

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### 1 Corporate Information

Echo Buildtech Private Limited ("the Company") is wholly owned subsidiary of TARC Limited (*formerly known as Anant Raj Global Limited*)\* domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is primarily engaged in business of real estate.

\*Refer Note No:- 19 & 20.

### 2 Significant Accounting Policies

#### a) Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ("MCA") under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on a 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 which are measured at fair values as explained in relevant accounting policies.

The financial statements are presented in Indian Rupees, except when otherwise indicated.

The stated financial statements of the Company for the year ended March 31, 2021 were approved and authorised for issue by Board of Directors of the Company in their meeting.

#### b) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### c) Revenue recognition

Income and expenditure are accounted for on accrual basis.

#### d) Income taxes

##### Current tax

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

##### 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 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. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

#### e) Financial instruments

##### Initial recognition and measurement:

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

## **Echo Buildtech Private Limited**

Notes to financial statements for the year ended March 31, 2021

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### **Subsequent measurement**

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Liabilities carried at ammortized cost

Subsequent to initial recognition, these liabilities are measured at ammortized cost using the effective interest method. These liabilities include borrowings.

### **Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with Ind AS 109 "Financial Instruments" issued by the Ministry of Corporate Affairs, Government of India. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### **Impairment of Financial Assets**

Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

### **Reclassification of Financial instruments**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### **Offsetting of Financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **f) Cash flow statement**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



## Echo Buildtech Private Limited

Notes to financial statements for the year ended March 31, 2021

### g) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

### h) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of obligation can be made at the reporting date. Provisions are discounted to their present values, where the time value of money is material, using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- 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 neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

### i) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### j) Fair value measurement

The Company measures financial instruments such as derivative instruments etc at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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





## Echo Buildtech Private Limited

Notes to financial statements for the year ended March 31, 2021

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- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
  - Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
  - Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
- For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the management. Valuers are selected based on market knowledge, reputation, independence and whether professional standards are maintained. Fair value disclosure of Investment Properties are based on management own assessment relying upon various parameters.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in unquoted equity shares
- Investment properties
- Financial instruments

### k) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- 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:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the 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 realization in cash and cash equivalents.

## Echo Buildtech Private Limited

Notes to financial statements for the year ended March 31, 2021

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### 1) Impairment of non financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the impairment loss, including impairment on inventories, is recognised in the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculation. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

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## Echo Buildtech Private Limited

Notes to financial statements for the year ended March 31, 2021

Particulars	(Amount in Rs.)	
	As at March 31, 2021	As at March 31, 2020
<b>3 Deferred tax asset</b>		
- Unabsorbed losses	91,253	82,662
	<u>91,253</u>	<u>82,662</u>
<b>4 Cash and cash equivalents</b>		
Balance with bank in current account	98,798	105,347
Cash on hand	78	78
	<u>98,876</u>	<u>105,425</u>
<b>5 Other bank balance</b>		
Deposits with original maturity of more than 3 months but less than 12 months	185,211	179,571
	<u>185,211</u>	<u>179,571</u>
<b>6 Other financial assets</b>		
Interest accrued	1,767	43
	<u>1,767</u>	<u>43</u>
<b>Equity share capital</b>		
<b>Authorized</b>		
1,00,000 (1,00,000) equity shares of Rs.10 (Rs.10) each	1,000,000	1,000,000
<b>Issued, subscribed and paid up equity capital</b>		
50,000 (50,000) equity shares of Rs.10 (Rs.10) each	500,000	500,000

**a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Number of shares outstanding at the beginning of the year	50,000	500,000	50,000	500,000
Number of shares outstanding at the end of the year	50,000	500,000	50,000	500,000

**b) Terms/rights attached to equity shares:**

The Company has only one class of equity share having a par value of Rs. 10 per share. Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholder.

**c) Shares held by the holding Company:**

Particulars	As at March 31, 2021	As at March 31, 2020
	Rs.	Rs.
*50,000 (*50,000) equity shares of Rs. 10 (Rs.10) each fully paid up	500,000	500,000

\*Includes 6 (6) equity shares held by nominees of the holding company, TARC Limited (formerly known as Anant Raj Global Limited)\*

**d) Details of shareholders holding more than 5% shares in the Company:**

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	Number	% holding	Number	% holding
<b>TARC Limited (formerly known as Anant Raj Global Limited) *</b>				
Equity Shares of Rs. 10 (Rs. 10) each fully paid up:	50,000	100%	50,000	100%

\*Refer Note No:- 19 & 20

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**Echo Buildtech Private Limited**

Notes to financial statements for the year ended March 31, 2021

Particulars	(Amount in Rs.)	
	As at March 31, 2021 Rs.	As at March 31, 2020 Rs.
<b>8 Other equity</b>		
<b>Retained earning</b>		
Opening balance	(514,608)	(565,556)
Profit/(Loss) for the year	<u>(24,450)</u>	<u>50,948</u>
Closing balance	<u>(539,058)</u>	<u>(514,608)</u>
<b>9 Borrowings</b>		
Loans from related party^	<u>291,533</u>	<u>291,533</u>
	<u>291,533</u>	<u>291,533</u>
<p>^Loans from related party represent loan taken from holding company , which is repayable on demand. Refer note no. 18 for details.</p>		
<b>10 Other financial liabilities</b>		
Other payables		
Expenses payable^^	<u>124,632</u>	<u>90,776</u>
	<u>124,632</u>	<u>90,776</u>
<p>^^ Rs. 62,407 (previous year Rs. 49,201) payable to related parties. Refer note no. 18 for details.</p>		
<b>11 Other income</b>		
Interest receipts on		
Fixed deposits	7,364	10,152
Income tax refund	-	44
	<u>7,364</u>	<u>10,196</u>
<b>12 Other expenses</b>		
Payment to auditors as audit fees	8,850	8,850
Filing fees	4,206	17,471
Depository fees	5,900	8,850
Legal and professional	20,800	5,500
Bank charges	649	1,239
	<u>40,405</u>	<u>41,910</u>

## Echo Buildtech Private Limited

Notes to financial statements for the year ended March 31, 2021

### 13 Earning per share

The earnings considered in ascertaining the Company's EPS is the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The weighted diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

Particulars	Year ended	
	March 31, 2021	March 31, 2020
Profit/(Loss) attributable to equity shareholders	Rs. (24,450)	50,948
Nominal value of equity shares	Rs. 10	10
Weighted average number of equity shares outstanding during the year	No. 50,000	50,000
Basic and diluted earnings per share	Rs. (0.49)	1.02

### 14 Going Concern

Confirmation received from holding company M/s TARC Limited (*formerly known as Anant Raj Global Limited*) that they will provide the financial support to the Company in order to meet the shortfall in its fund requirements over banks and other borrowings to meet out loans from group companies and other liabilities, for a period of not less than 12 months from the date of financial closure of accounts of the Company for the year ended March 31, 2021.

### 15 Contingent Liability

The Company does not have any contingent liability during the year .

### 16 Segment Reporting

In line with the provisions of IND AS 108 - Operating segments and on the basis of review of operations being done by the management of the Company , the operations of the company falls under real estate business , which is considered to be the only reportable segment by the management.

### 17 Auditors' Remuneration

Particulars	(Amount in Rs.)	
	Year ended March 31, 2021	Year ended March 31, 2020
Audit Fees	8,850	8,850
Total	8,850	8,850

## Echo Buildtech Private Limited

Notes to financial statements for the year ended March 31, 2021

### 18 Related Party Disclosures:

Pursuant to Indian Accounting Standard (Ind AS-24) on "Related Party Disclosures" issued by the "Ministry of Corporate Affairs, Government of India" following parties are to be treated as related parties along with their relationships:

- a) List of related parties where control exists and other related parties with whom transactions have taken place and relationships:

#### Holding Company

TARC Limited (Formerly known as Anant Raj Global Limited)\*

#### Fellow Subsidiaries

Anant Raj Hotels Limited  
Anant Raj Infrastructure Private Limited  
BBB Realty Private Limited  
Bolt Properties Private Limited  
Elegant Buildcon Private Limited  
Elegant Estates Private Limited  
Elevator Buildtech Private Limited  
Elevator Promoters Private Limited  
Elevator Properties Private Limited  
Fabulous Builders Private Limited  
Gadget Builders Private Limited  
Goodluck Buildtech Private Limited  
Grand Buildtech Private Limited  
Grand Park Buildtech Private Limited  
Grand Park Estates Private Limited  
Green View Buildwell Private Limited  
Greenline Buildcon Private Limited  
Greenline Promoters Private Limited  
Greenwood Properties Private Limited  
Hemkunt Promoters Private Limited  
Highland Meadows Private Limited  
Jubilant Software Services Private Limited

Kalinga Buildtech Private Limited  
Kalinga Realtors Private Limited  
Novel Buildmart Private Limited  
Novel Housing Private Limited  
Oriental Meadows Limited  
Park Land Construction & Equipment Pvt Ltd  
Park Land Developers Private Limited  
Park View Promoters Private Limited  
Rapid Realtors Private Limited  
Roseview Buildtech Private Limited  
Roseview Properties Private Limited  
Sand Storm Buildtech Private Limited  
Suburban Farms Private Limited  
TARC Buildtech Private Limited@  
TARC Estates Private Limited@  
TARC Green Retreat Private Limited  
(Formerly Known As Green Retreat And Motels Private Limited)  
TARC Projects Limited  
(Formerly Known As Anant Raj Projects Limited)  
TARC Properties Private Limited@  
Townsend Construction And Equipments Pvt Ltd  
Travel Mate India Private Limited  
Twenty First Developers Private Limited

@ Incorporated during the year

#### Companies in which fellow Subsidiary companies exercise control

A-Plus Estates Private Limited \$  
Ankur Buildcon Private Limited ^^  
Capital Buildcon Private Limited ^^  
Capital Buildtech Private Limited #  
Carnation Buildtech Private Limited #  
Gagan Buildtech Private Limited #  
Greatways Buildtech Private Limited #  
Krishna Buildtech Private Limited ^^  
Monarch Buildtech Private Limited #  
Moon Shine Entertainment Private Limited \*\*

Oriental Promoters Pvt Ltd #  
Papillon Buildtech Private Limited #  
Papillon Buildcon Private Limited #  
Rising Realty Private Limited ^^  
Spiritual Developers Private Limited ^  
West Land Buildcon Private Limited #

# Step Down Subsidiary of Green View Buildwell Private Limited

^ Step Down Subsidiary of Greenline Buildcon Private Limited

^^ Step Down Subsidiary of Highland Meadows Private Limited

\$ Step Down Subsidiary of Kalinga Buildtech Private Limited

\*\* Step Down Subsidiary of TARC Projects Limited

## Echo Buildtech Private Limited

Notes to financial statements for the year ended March 31, 2021

### LLP Entities in which fellow subsidiary company is partner

Asylum Estate LLP  
Gagan Promoters LLP

### Partnership firm in which holding company is partner

Ganga Bishan & Co.

### Associate company of holding company

Niblic Greens Hospitality Private Limited@

@ Incorporated during the year

### Key Management Personnel of company

Santosh Kumar	Director	(Appointed w.e.f. 23/10/2020)
Ranjeet Kumar	Director	(Appointed w.e.f. 23/10/2020)
Vikas Sharma	Director	
Sunil	Director	(Appointed w.e.f. 10/10/2019 and resigned w.e.f. 23/10/2020)
Krishna Kumar Agnihotri	Director	(Resigned w.e.f. 23/10/2020)

Note: Above party is as identified by the management of the Company.

### b) Transaction during the year with related parties (excluding reimbursements):

Nature of Transaction	Related party	(Amount in Rs.)	
		Year ended March 31, 2021	Year ended March 31, 2020
Loan received	TARC Limited*	-	37,883,533
Loan repaid	TARC Limited*	-	37,850,000

### c) Amount outstanding as at March 31, 2021:

Account head	Related party	(Amount in Rs.)	
		As at March 31, 2021	As at March 31, 2020
Loans -Current liabilities	TARC Limited*	291,533	291,533
Expenses Payable	TARC Limited*	62,407	49,201

Note: The related party relationships have been identified by the management.

\*Refer Note No:- 19 & 20

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## Echo Buildtech Private Limited

Notes to financial statements for the year ended March 31, 2021

### 19 SCHEME OF ARRANGEMENT

A composite scheme of Arrangement between Anant Raj Agencies Private Limited ( Amalgamating Company), Anant Raj Limited ( Amalgamated Company/Demerged Company) and Anant Raj Global Limited (Resulting Company) [ *Presently Known as TARC Limited* ] was approved by the Hon'ble National Company Law Tribunal, Chandigarh Bench (NCLT) on August 24, 2020.

The appointed date for the Scheme was September 30, 2018.

In accordance with the Scheme, all assets and liabilities of Project Division of the Demerged Company stand transferred to the Resulting Company from the Appointed Date. Demerged Company and Resulting Company have given effect to Scheme with effect from September 30, 2018.

To give effect of the scheme sanctioned by NCLT in books of accounts of the Company, all Assets, Liabilities and Share capital held by Demerged Company stand transferred to Resulting Company and Company become wholly owned subsidiary company of Resulting Company.

20 The name of Anant Raj Global Limited, the holding company has been changed to TARC Limited w.e.f April 19, 2021.

21 The Company continues to monitor the impact of COVID 19 on its business including its impact on customers, supply chain etc. Due care has been exercised in concluding on significant accounting judgement and estimates including in relation to recoverability of receivables, inventory and other financial assets based on information available to date while preparing the Company's financial statement for the year ended March 31, 2021.

### 22 Financial Instruments

#### a. Financial instruments by category

Particulars	(Amount in Rs.)	
	As at March 31, 2021	As at March 31, 2020
<b>i. Financial Assets</b>		
<b>Financial assets at amortised cost</b>		
Current		
Cash and cash equivalents	98,876	105,425
Other bank balance	185,211	179,571
Other financial assets	1,767	43
<b>Total</b>	<b>285,854</b>	<b>285,039</b>
<b>ii. Financial liabilities</b>		
<b>Financial liabilities at amortised cost</b>		
Current		
Borrowings	291,533	291,533
Other financial liabilities	124,632	90,776
<b>Total</b>	<b>416,165</b>	<b>382,309</b>

#### b. Fair values hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3:

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs).

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## Echo Buildtech Private Limited

Notes to financial statements for the year ended March 31, 2021

Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Trade receivables, cash & cash equivalents, other bank balances, loans, other current financial assets, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to short-term maturities of these instruments.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

Fair value of financial assets and liabilities measured at amortised cost

Particulars	(Amount in Rs.)			
	As at March 31, 2021		As at March 31, 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>i. Financial Assets</b>				
<b>Financial assets at amortised cost</b>				
Current				
Cash and cash equivalents	98,876	98,876	105,425	105,425
Other bank balance	185,211	185,211	179,571	179,571
Other financial assets	1,767	1,767	43	43
<b>Total</b>	<b>285,854</b>	<b>285,854</b>	<b>285,039</b>	<b>285,039</b>
<b>ii. Financial liabilities</b>				
<b>Financial liabilities at amortised cost</b>				
Current				
Borrowings	291,533	291,533	291,533	291,533
Other financial liabilities	124,632	124,632	90,776	90,776
<b>Total</b>	<b>416,165</b>	<b>416,165</b>	<b>382,309</b>	<b>382,309</b>

For short term financial assets and liabilities carried at amortized cost. The carrying value is reasonable approximation of fair value.

### 23 Financial Risk Management Objectives And Policies

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors is responsible for overseeing the Company's risk assessment and management policies and processes.

The Company's financial risk management policy is set by the management. Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. The Company manages market risk which evaluates and exercises independent control over the entire process of market risk management. The management recommend risk management objectives and policies, which are approved by Senior Management.

## Echo Buildtech Private Limited

Notes to financial statements for the year ended March 31, 2021

### Risk management

#### 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, other bank balance and financial assets measured at amortised cost. The Company continuously monitors defaults of counterparties and incorporates this information into its credit risk controls.

#### Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date

B: Moderate Credit Risk

C: High credit risk

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

Credit risk	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents and other bank balances	12 month expected credit loss
Moderate credit risk	Other financial assets	Life time expected credit loss or 12 month expected credit loss

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. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in the statement of profit and loss.

Credit Rating	(Amount in Rs.)	
	As at March 31, 2021	As at March 31, 2020
Low credit risk	284,087	284,996
Moderate credit risk	1,767	43
	285,854	285,039

#### Credit risk exposure

The Company do not expect any credit loss as under:

#### As at March 31, 2021

Particulars	(Amount in Rs.)		
	Estimated gross Carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	98,876	-	98,876
Other bank balance	185,211	-	185,211
Other financial assets	1,767	-	1,767
	285,854	-	285,854

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**Echo Buildtech Private Limited**

Notes to financial statements for the year ended March 31, 2021

As at March 31, 2020

Particulars	(Amount in Rs.)		
	Estimated gross Carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	105,425	-	105,425
Other bank balance	179,571	-	179,571
Other financial assets	43	-	43
	285,039	-	285,039

**b. Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Maturities of financial liabilities

The tables below analyze the company's financial liabilities into relevant maturity groupings based on their contractual maturities:

Contractual maturities of financial liabilities as at March 31, 2021	(Amount in Rs.)			
	Total Carrying Value	on due within 1 Year	Over 1 Year within 3 Years	Over 3 Year within 5 Years
Borrowings	291,533	291,533	-	-
Other financial liabilities	124,632	124,632	-	-
	416,165	416,165	-	-

Contractual maturities of financial liabilities as at March 31, 2020	(Amount in Rs.)			
	Total Carrying Value	on due within 1 Year	Over 1 Year within 3 Years	Over 3 Year within 5 Years
Borrowings	291,533	291,533	-	-
Other financial liabilities	90,776	90,776	-	-
	382,309	382,309	-	-

## Echo Buildtech Private Limited

Notes to financial statements for the year ended March 31, 2021

### c. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities.

#### Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have any international transactions therefore exposure to foreign exchange risk does not arise from foreign currency transactions.

#### Interest rate risk

The Company's interest free borrowings from related parties 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.

#### Capital management

The capital structure of the Company consists of equity, debt, cash and cash equivalents. The Company's objective for capital management is to maintain the capital structure which will support the Company's strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Company.

24 In the opinion of the management, the current assets, if realized in the ordinary course of business, would realize a sum at least equal to that stated in the Balance Sheet.

25 Previous year figures have been regrouped or recast, wherever necessary, in order to confirm to this year's presentation.

The accompanying notes are an integral part of the financial statements.  
As per our report of even date.

### For, DEEPAK MAURYA AND ASSOCIATES

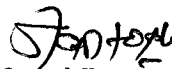
Chartered Accountants  
Firm Registration No:-029971N  
By the hand of

Deepak Kumar  
Proprietor  
Membership No:-529005  
Date: June 28, 2021  
New Delhi  
UDIN:21529005AAAACN2410



For and on behalf of Board of Directors of  
Echo Buildtech Private Limited

Santosh Kumar  
Director  
DIN:-08925915  
H. No. 383, Muhalla Khara,  
Arme Street, Shikohabad,  
Firozabad, UP - 205135



Vikas Sharma  
Director  
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