

KHANDELWAL JAIN & CO.

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Ritesh Properties and Industries Limited

Report on the Audit of the Consolidated Financial Statements

1. Opinion

We have audited the accompanying consolidated financial statements of **Ritesh Properties and Industries Limited** ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2022 the consolidated Statement of Profit and Loss (including other comprehensive income) and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

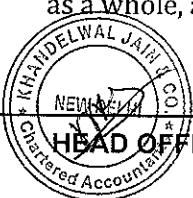
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2022, and its profit (including other comprehensive income) and changes in equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

3. Key Audit Matters

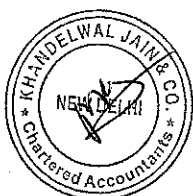
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these



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matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p><u>Evaluation of Provision and Contingent Liabilities:</u></p> <p>As at the Balance Sheet date, the Company has significant open litigation and other contingent liabilities as disclosed in note no. 37. The assessment of the existence of the present legal or constructive obligation, analysis of the probability or possibility of the related payment require the management to make judgement and estimates in relation to the issues of each matter.</p> <p>The management with the help of opinion and advise of its experts have made such judgements and estimates relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability.</p> <p>Due to the inherent complexity and level of judgement relating to recognition, valuation and presentation of provision and contingent liabilities, this is considered a key audit matter.</p>	<p><u>Our Audit procedure included:</u></p> <ul style="list-style-type: none"> • We have reviewed and held discussions with the management to understand their processes to identify new possible obligations and changes in existing obligations for compliance with the requirements of Ind AS 37 on Provisions, Contingent Liabilities and Contingent Assets. • We have also discussed with the management significant changes from prior periods and obtained a detailed understanding of these items and assumptions applied. <p>In addition, we have reviewed:</p> <ul style="list-style-type: none"> • the details of the proceedings before the relevant authorities including communication from the advocates / experts; • legal advises / opinions obtained by the management, if any, from experts in the field of law on the legal cases; • status of each of the material matters as on the date of the balance sheet. <p>We have assessed the appropriateness of provisioning based on assumptions made by the management and presentation of the significant contingent liabilities in the Standalone Financial Statements.</p>



4. Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is 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 consolidated financial statements and our auditor's report thereon. The other information comprising the above documents is expected to be made available to us after the date of this auditor's report.

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

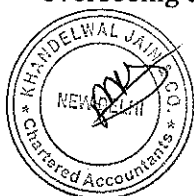
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Management's Responsibility for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.



6. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of



the audit of the financial statement of such entities included in the consolidated financial statement of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Other Matters

a) Based on the consideration of the report of other auditor on separate financial statement and other financial information of subsidiary entity, these consolidated financial Statements includes:

- Finton Homes (Partnership Firm)(PAN-AAGFF2133F)

b) We did not audit the financial statements and other financial information, in respect of one subsidiary, whose financial statements/financial information, before consolidated adjustments, reflects total assets of Rs. 11508.54 Lakhs as at March 31, 2022, total revenues of Rs. 9119.91 Lakhs, total net profit of Rs. 3713.14 Lakhs and total comprehensive Income of Rs. 3713.14 Lakhs for the year ended on that date. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms



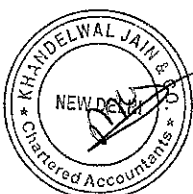
of sub section (3) of section 143 of the act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

8. Report on Other Legal and Regulatory Requirements

- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matters' paragraph above, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of other auditors;
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder;
 - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of Holding Company, none of the directors of the holding company is disqualified as on March 31, 2022 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 Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report;
 - 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, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act;



- 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:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. – Refer Note to the consolidated financial statements;
 - ii. The Group 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 Group.
 - iv. (a) The Management of the Holding Company has represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management of the Holding Company has represented to us that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;


(c) Based on the audit procedures performed by us and those performed by the auditors of the subsidiaries, that have been considered reasonable and appropriate in the circumstances performed, nothing has come to our or other auditor's notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

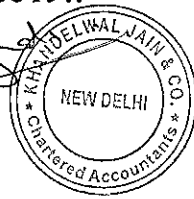
 - v. The Holding Company have not declared or paid any dividend during the year.



- B. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we report that there are no qualifications or adverse remarks included in the CARO report in respect of the standalone financial statements of the Holding Company which are included in these Consolidated Financial Statements. In our opinion, and according to the information and explanations given to us, CARO 2020 is not applicable to the subsidiary entity included in these Consolidated Financial Statements, hence, this report does not contain a statement on the matter specified in paragraph 3(xxi) of CARO 2020 in relation to the subsidiary entity.

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No. 105049W


Manish Kumar Singhal
Partner
Membership No. 502570
UDIN: 22502570AJXOKK1468



Place: New Delhi
Dated: 30/05/2022

KHANDELWAL JAIN & CO.

CHARTERED ACCOUNTANTS

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ANNEXURE "A" THE INDEPENDENT AUDITOR'S REPORT

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")

To the Members of
Ritesh Properties and Industries Limited

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of **Ritesh Properties and Industries Limited** (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), as on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's, internal financial controls over financial reporting with reference to these consolidated 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") and the Standards on Auditing both, issued by ICAI and deemed to be prescribed 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.



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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls with reference to these consolidated 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting with reference to these consolidated 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 consolidated financial statements 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 with reference to these consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated 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 and based on the consideration of reports of other auditors, as referred to in the Other Matters paragraph below, the Group have, 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, 2022 based on the internal control over financial reporting criteria established by the respective companies of the Group 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary entity is based solely on the corresponding report of the auditors of such entity.

Our opinion is not modified in respect of the above matter.

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No. 105049W

Manish Kumar Singhal
Partner
Membership No. 502570
UDIN: 22502570AJXOKK1468



Place: New Delhi
Dated: 30/05/2022

Consolidated Balance Sheet as at 31st March' 2022

Particulars	Note No.	31st March 2022
ASSETS		
Non-current Assets		
(a) Property, Plant and Equipment	4	386.14
(b) Financial Assets		
(i) Investments	5	1,108.95
(ii) Others	6	27.64
(c) Deferred Tax Assets (Net)	7	170.28
Total Non-Current Assets		1,693.01
Current Assets		
(a) Inventories	8	6,332.81
(b) Financial Assets		
(i) Investments	9	6.22
(ii) Trade Receivables	10	6,221.36
(iii) Cash and Cash Equivalents	11	599.63
(iv) Loans	12	1,682.20
(c) Current Tax Assets (Net)	13	96.66
(d) Other Current Assets	14	2,321.92
Total Current Assets		17,260.79
Total Assets		18,953.80
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	15	2,444.29
(b) Other Equity	16	8,597.78
Total Equity		11,042.07
LIABILITIES		
Non Controlling Interest		4,551.13
Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	17	740.03
(ii) Others	18	89.44
(b) Provisions	19	16.91
Total Non-Current Liabilities		846.38
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	20	394.22
(ii) Trade Payables	21	
(A) total outstanding dues of micro enterprises and small enterprises ; and		
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		141.59
(iii) Others	22	873.14
(b) Current Tax Liability (Net)	23	123.01
(c) Other Current Liabilities	24	927.60
(d) Provisions	25	54.66
Total Current Liabilities		2,514.22
Total Equity and Liabilities		18,953.80
Summary of Significant accounting policies and other notes to Financial Statements	1 to 66	

The accompanying explanatory notes form an integral part of these financial statements

As per our report of even date
As per our report of even date

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration No. 105049W

Manish Kumar Singhal
Partner
Membership No. 502570



(Sanjeev Arora)
Chairman, Cum Managing Director
DIN:00077748

(Kavya Arora)
Executive Director & Whole Time Director
DIN:02794500

(Deepak Sharma)
Chief Financial Officer

(Tarandeep Kaur)
Company Secretary
(ACS42144)

Place: New Delhi
Date: 30/05/2022

Consolidated Statement of Profit and Loss for the year ended 31st March '2022

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2022
	INCOME		
I	Revenue from operations	26	18,510.12
II	Other Income	27	1,425.11
III	Total Income (I+II)		19,935.24
	EXPENSE		
IV	Cost Recognised		5,408.22
	Purchase of Stock-in-Trade	28	11,379.09
	Changes In Inventories of Stock-In-Trade	29	2,188.39
	Employee Benefits Expense	30	297.02
	Finance Costs	31	110.48
	Depreciation and amortization expenses	4	54.61
	Other Expenses	32	864.79
	Total Expenses (IV)		15,925.82
V	Profit / (Loss) before exceptional items and tax (III-IV)		4,009.41
VI	Exceptional Items		-
VII	Profit / (loss) before tax (V-VI)		4,009.41
VIII	Tax expense		
	(1) Current Tax		121.85
	(2) Deferred Tax & MAT Credit		(162.45)
	(3) Income Tax Paid (Earlier Year)		-
IX	Profit / (Loss) for the year (VII-VIII)		4,050.01
X	Profit / (Loss) from discontinued operations		-
XI	Tax Expenses of discontinued operations		-
XII	Profit / (Loss) from discontinued operations (After Tax) (X-XI)		4,050.01
XIII	Profit / (Loss) for the year (IX+XII)		4,050.01
X	Other Comprehensive Income ('OCI')		
	(A) Items that will not be reclassified to profit or loss		
	Re-measurement gains/(loss) on defined benefits plans		0.30
	Tax impact on above item		0.08
	Gain/(Loss) as Equity Instruments through OCI		4.62
	Tax impact on above item		(1.16)
	Other Comprehensive Income (OCI) (After Tax)		3.83
XI	Total Comprehensive Income for the year (IX+X)		4,053.84
	Profit/(Loss) for the year attributable to		
	Parent		2,379.10
	NCI		1,670.91
	Other Comprehensive Income for the year attributable to		
	Parent		3.83
	NCI		-
	Total Comprehensive Income for the year attributable to		
	Parent		2,382.93
	NCI		1,670.91
	Earning Per Equity Share		
	Basic EPS (In Rs.)	33	15.18
	Diluted EPS (In Rs.)		13.08

Summary of Significant accounting policies and other notes to Financial Statements 1 to 56

The accompanying explanatory notes form an integral part of these financial statements.

As per our report of even date

As per our report of even date

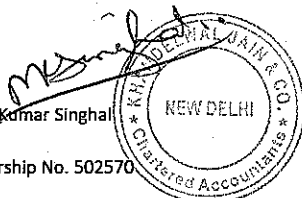
For Khandelwal Jain & Co.

Chartered Accountants

Firm Registration No. 105049W

Manish Kumar Singhal
Partner

Membership No. 502570



Place: New Delhi

Date: 30/05/2022

(Sandeep Arora)

Chairman Cum Managing Director

DIN:00077748

(Sandeep Arora)

Executive Director & Whole Time Director

DIN:02794500

(Deepti Sharma)

Chief Financial Officer

(Tandeep Kaur)

Company Secretary

(ACS42144)

RITESH PROPERTIES AND INDUSTRIES LIMITED
CIN: L74899DL1987PLC027050
Consolidated Statement of Changes in Equity for the year ended 31st March '2022

(Amount in Lakhs, Except no. of Shares)

(A) Equity Share Capital

Particulars	No. of Shares	Amount	No. of Shares	Amount
As at March 31, 2022	2,23,56,369	22,35,63,690	As at March 31, 2021	22,35,63,690
Balance at the beginning of the year				
Changes in equity share capital due to prior period errors				
Restated balance at the beginning of the current period	2,23,56,369	22,35,63,690		
Changes in equity share capital during the Year	20,86,546	2,08,65,460		
Balance at the end of the year	2,44,42,915	24,44,29,150		

(B) Other Equity

Particulars	Reserves and Surplus		Equity Component of Debenture	Revaluation Reserve	Other Comprehensive Income	Total
	Securities Premium Reserve	Retained Earnings			Change in Fair Value of Equity Instruments through OCI	
As at 1st April 2021	1,560.58	1,477.50		110.67	(4.33)	5,991.06
Profit/(Loss) for the year	-	2,379.10		-	-	2,379.10
Other Comprehensive Income/ (Loss) for the year		0.38			3.45	3.83
Total Comprehensive Income/(Loss) for the year	1,560.58	3,856.98		110.67	(0.87)	8,373.99
Issued / Amount during the year	146.66		77.13			
Changes in accounting policy or prior period errors	-	-		-	-	4,774.92
As at Mar 31, 2022	1,707.24	3,856.98	77.13	110.67	(0.87)	8,597.78
Summary of Significant accounting policies and other notes to Financial Statements						

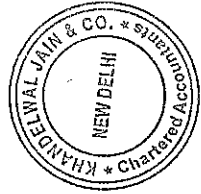
The accompanying explanatory notes form an integral part of these financial statements

As per our report of even date
As per our report of even date

For Khandelwal Jain & Co.

Chartered Accountants

Firm Registration No. 105049W



Manish Kumar Singhal

Partner

Membership No. 502570

Place: New Delhi

Date: 30/05/2022

(Sanjeev Arora)
Chairman & Managing Director
DIN: 00077748

(Kavita Arora)

Executive Director & Whole Time Director
DIN: 027945001

(Deepak Sharma)

Chief Financial Officer

(Tarandeep Kaur)

Company Secretary

(ACS42144)

RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

1. Group Overview

Ritesh Properties & Industries Ltd ("the Company") is engaged in the business of Real Estate Business, Textiles, trading in Shares and Derivatives. The Company is a public limited company incorporated and domiciled in India and has its registered office at 11/5B, Pusa Road, New Delhi – 110060. Shares of the company are listed on Bombay Stock Exchange, Mumbai, India.

Pursuant to Scheme of Amalgamation (Scheme) of Ritesh Spinning Mills Limited, Ritesh Impex Private Limited and H. B. Fibres Limited with the Company under section 230 to 232 of the Companies Act, 2013 sanctioned by National Company Law Tribunal, New Delhi Bench on 16th August, 2021 all assets and liabilities are transferred and vested in the Company with appointed date of 1st April, 2018.

The Company together with its partly owned subsidiary "Finton Homes" is referred to as "the Group".

The accompanying consolidated financial statements include the accounts of Ritesh Properties & Industries Ltd. and its Partly-owned subsidiaries (collectively, "Finton Homes" or the "Firm"). All significant inter-company accounts and transactions have been eliminated.

2. (a). Basis of Consolidation

The company consolidates entities which it owns or controls. The Consolidated Financial Statements comprise the financial statements of the company and its subsidiary "Finton Homes". Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases. The financial statements of the Group companies are consolidated on a line-by-line basis and intra-company balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

(b.) Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022 in Ind AS 103, Ind AS 16, Ind AS 37, Ind AS 109 and Ind AS 106. The Company does not expect the amendment to have any significant impact in its financial statements.



3. Significant Accounting Policies

a. Compliance with IND AS

The consolidated financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act 2013 (the Act) (to the extent notified) and guidelines issued by Securities and Exchange Board of India (SEBI). The Indian Accounting Standards (IND AS) are prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Group, to all the periods presented in the said financial statements. The preparation of the said financial statements requires the use of certain critical accounting estimates and judgments. It also requires the management to exercise judgment in the process of applying the Group's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgment or complexity, are disclosed in Note 35.

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act 2013.

In preparing the financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these financial statements.

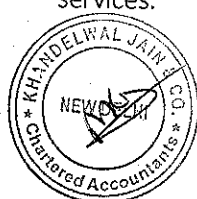
Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are disaggregated separately in the notes to the financial statements, where applicable or required. All the amounts included in the financial statements are reported in Indian Rupees ('Rupees') and are rounded to the nearest rupees in Lakh except per share data and unless stated otherwise.

b. Historical Cost Convention

The Financial Statements have been prepared under the historical cost convention on accrual basis except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value for the followings:

- i. Certain financial assets and liabilities and contingent consideration which are measured at fair values.
- ii. Assets held for sale measured at fair value less cost to sell.
- iii. Defined benefit plan assets measured at fair value.

Historical Cost is generally based on the fair value of the consideration given in exchange for goods and services.



c. Use of Estimates and Judgments

The preparation of financial statements in conformity with the recognition and measurement principles of 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. 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. Further future periods are also affected.

d. Current and Non-Current Classification

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

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle
- ii. Held primarily for the purpose of trading, or
- iii. Expected to be realized within twelve months after the reporting period other than for (a) above, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

e. Fair value measurement

The Group measures financial instruments, such as, derivatives 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.

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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Group categorizes assets and liabilities measured at fair value into one of three levels as follows:

- **Level 1 — Quoted (unadjusted)**

This hierarchy includes financial instruments measured using quoted prices.

- **Level 2**

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2 inputs include the following:

- a) Quoted prices for similar assets or liabilities in active markets.
- b) Quoted prices for identical or similar assets or liabilities in markets that are not active.
- c) Inputs other than quoted prices that are observable for the asset or liability.
- d) Market – corroborated inputs.

- **Level 3**

They are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Group's assumptions about pricing by market participants. 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.

f. Property, Plant and Equipment (PPE)

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. Property, Plant and Equipment are stated at actual cost less accumulated depreciation and impairment loss. Actual cost is inclusive of freight, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working conditions for its intended use (net of CENVAT/GST) and any cost directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management. It includes professional fees and borrowing costs for qualifying assets.

Property, Plant, Equipment and Intangible Assets are not depreciated or amortized once classified as held for sale.

Significant Parts of an item of PPE (including major inspections) having different useful lives & material value or other factors are accounted for as separate components. All other repairs and maintenance costs are recognized in the statement of profit and loss as incurred.

Depreciation of these PPE commences when the assets are ready for their intended use.



Depreciation is provided for on straight line method on the basis of useful life. On assets acquired on lease (including improvements to the leasehold premises), amortization has been provided for on Straight Line Method over the primary period of lease.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

The useful life of property, plant and equipment are as follows: -

Asset Class	Useful Life
Building	45 Years
Plant & Machinery	10 Years
Furniture & Fixture	10 Years
Computers and Office Equipment	03 Years
Vehicles	08 Years

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

g. Intangible Assets

All expenditure on intangible items is expensed as incurred unless it qualifies as intangible assets. The carrying value of intangible assets is assessed for recoverability by reference to the estimated future discounted net cash flows that are expected to be generated by the asset. Where this assessment indicates a deficit, the assets are written down to the market value or fair value as computed above.

~~Purchase of computer software used for the purpose of operations is capitalized. However, any~~
expenses on software support, maintenance, upgrade etc. payable periodically is charged to the Statement of Profit & Loss.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Intangible assets are amortized on straight line basis over a period ranging between 2-5 years which equates its economic useful life.

The Group has not purchased or self-created any intangible assets hence no intangible assets is recognized. The Intangible assets shall be recognized as per IND AS 38, on purchase of intangible



assets or self-created if, and only if it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably.

h. Inventories

- (a) Inventory of Land and construction/development are valued at cost or net realizable value, whichever is lower. Cost of land purchased/acquired by the Group include purchase/acquisition price plus stamp duty and registration charges etc. Construction/development expenditure includes cost of development rights, all direct and indirect expenditure incurred on development of land /construction, attributable interest and financial charges and overheads relating to site management and administration less incidental revenues arising from site operations.
- (b) Inventory of Shares and Derivatives is determined at Cost or net realizable value whichever is lower.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale and certified by the Management.

i. Impairment of financial assets

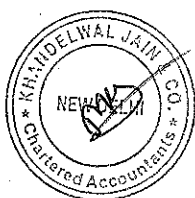
The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

j. Cash and Cash Equivalents

Cash and cash equivalent in the Balance sheet comprises of cash at bank 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 values. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

k. Financial Instruments

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of other entity. The financial instruments are recognized in the balance sheet when the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial instruments at initial recognition.



i) **Financial Assets**

Initial Recognition:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in following categories based on business model of the entity: -

- Debt instruments at amortized cost.
- Debt instruments at fair value through other comprehensive income (FVTOCI).
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortized cost: -

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

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Debt instrument at FVTOCI:

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

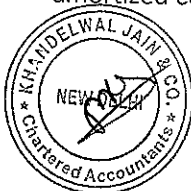
- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL:

Any debt instrument, that does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing



so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments (Other than investment in subsidiary)

All other equity investments are measured at fair value. For Equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. This amount is not recycled from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

De-recognition of financial assets:

A financial asset is de-recognized only when

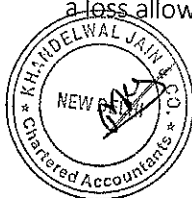
- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets:

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Group has



used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix considers historical credit loss experience and is adjusted for forward looking information. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L).

ii) Equity Instruments and Financial Liabilities:

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered and the definitions of a financial liability and an equity instrument.

Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

iii) Financial liabilities:

Initial Recognition:

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Trade and Other Payables

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

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per



impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De-recognition of financial liabilities:

Financial liabilities are de-recognized from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the Statement of Profit and Loss as other gains/ (losses).

I. Provisions, Contingent Liabilities and contingent Asset

- i) A provision is recognized when the Group has a present obligation because of past events and it is probable that an outflow of resource will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the balance sheet date. When appropriate, the time value of money is material, provision is discounted 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 recognized as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.
- ii) Contingent Liability are disclosed in respect of possible obligation that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent liability also arises, in rare cases, where a liability cannot be recognized because it cannot be measured reliably. Contingent Liability is disclosed in the financial statements by way of note to accounts where the possibility of an outflow of resources embodying economic benefits is remote. (Refer Note-37)
- iii) Contingent asset is disclosed in the financial statements by way of note to accounts where the economic benefits are probable.

m. Income tax (IND-AS 12):

Income tax comprises of current and deferred income tax. Income tax is recognized as an expense or income in the Statement of Profit and Loss.

Current income tax:

Current income tax is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred Tax:

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognized for all deductible temporary differences between the financial statements'



carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. Deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

Such assets are reviewed at each Balance Sheet date to reassess realization, deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities.

Minimum Alternative Tax ("MAT") credit is recognized as an asset only when and to the extent it is probable that the Group will pay normal income tax during the specified period.

n. Revenue Recognition:

The Group recognizes revenue in accordance with IND AS 115. Revenue is recognized upon transfer of control of promised products or services to the customers in an amount that reflects the consideration that the Group expects to receive in exchange of those products or services. The Group presents revenues net of indirect taxes in its statement of Profit and Loss.

i) Revenue from Real Estate

Revenue from constructed properties is recognized in accordance with the "Guidance Note on Accounting for Real Estate Transactions" ('Guidance Note'). As per this Guidance Note, the revenue has been recognized on percentage of completion method and on the percentage of actual project costs incurred thereon to total estimated project cost, provided the conditions specified in Guidance Note are satisfied.

Revenue from sale of land and plots is recognized in financial year in which agreement to sell / application form is executed and there exist no uncertainty in the ultimate collection of consideration from buyer. In case there is remaining substantial obligation as per agreement to sell the revenue is recognized as per percentage of completion method.

Revenue from Common Area Maintenance Charges is recognized on accrual basis and in accordance with the respective agreement.

ii) Revenue from Textile Business

Revenue from the textile business during ordinary activities is measured at the fair value of consideration received or receivable, net of returns, trade discount and volume rebate. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

iii) Revenue from Trading of Shares

Revenue from the trading of share business during ordinary activities is measured at the fair value of consideration received or receivable. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of



the consideration is probable, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

o. Other Income:

i) Dividend Income

Dividend income is recognized in profit or loss on the date on which the entity's right to receive payment is established.

ii) Interest Income

Interest income is recognized using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payment or receipt through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset, or
- The amortized cost of the financial liability.

In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

p. Borrowing Costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period to get ready for their intended use are capitalized as part of the cost of that asset.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

q. Leases

As a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- i. the contract involves the use of an identified asset
- ii. the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii. the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases



with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor

~~Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.~~

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not



contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

r. Employee Benefit Expense

Short term employee benefits:-

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Long-Term employee benefits

Compensated expenses which are not expected to occur within twelve months after the end of period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date

Post-employment obligations

i. Defined contribution plans

Provident Fund and employees' state insurance schemes

All employees of the Group are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary. These contributions are made to the fund administered and managed by the Government of India. In addition, some employees of the Group are covered under the employees' state insurance schemes, which are also defined contribution schemes recognized and administered by the Government of India

The Group's contributions to both these schemes are expensed in the Statement of Profit and Loss. The Group has no further obligations under these plans beyond its monthly contributions.

ii. Defined Benefits Gratuity plan

The Group provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Group. The Group provides for the Gratuity Plan based on actuarial valuations in accordance with Indian Accounting Standard 19 (revised), "Employee Benefits". The present value of obligation under gratuity is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Defined retirement benefit plans comprising of gratuity, un-availed leave, post-retirement medical benefits and other terminal benefits, are recognized based on the present value of defined benefit obligation which is computed using the projected unit credit method, with actuarial valuations



being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

The Group has policy of expiry of un-availed leave at end of the financial year, hence no provision is required for leave encashment.

iii. Actuarial gains and losses are recognized in OCI as and when incurred.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above), are recognized in other comprehensive income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to profit or loss.

The retirement benefit obligation recognized in the Financial Statements represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred.

s. Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

t. Segment Reporting

Operating segments are reported in a manner consistent with the internal financial reporting provided to the Chief Operating Decision Maker (CODM) i.e. Board of Directors. CODM monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements. The primary reporting of the Group has been performed on the basis of business segments. The analysis of geographical segments is based on the areas in which the Group's products are sold or services are rendered.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.



Unallocated items:

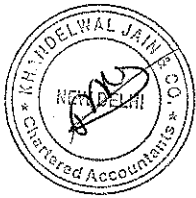
The Corporate and other segment include general corporate income and expense items, which are not allocated to any business segment.

u. Cash Flow Statement

Cash flows are reported using the indirect method. The cash flows from operating, investing and financing activities of the Group are segregated.

v. Exceptional Items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.



RITESH PROPERTIES AND INDUSTRIES LIMITED, DELHI
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

CONSOLIDATED PROPERTY, PLANT AND EQUIPMENT

(Amount in Lakhs ₹)

Particulars	Building	Plant & Machinery	Furniture & Fixture	Office Equipments	Computers	Intangible Assets	Vehicles	Total
As At March 31, 2021	207.38	157.11	54.82	27.25	6.35	11.16	311.97	776.05
Additions	69.95	22.15	0.50	8.84	1.24		97.67	200.35
Disposal	186.20	2.74	-	-			73.14	262.08
As At March 31, 2022	91.14	176.52	55.32	36.09	7.59	11.16	336.50	714.31
Depreciation								
As At March 31, 2021	11.04	51.59	35.99	20.63	5.20	6.66	143.32	274.44
Additions	0.42	11.98	3.61	3.25	1.02	1.78	31.84	53.89
Disposal	0.15	-	-	-				0.15
As At March 31, 2022	11.30	63.58	39.60	23.88	6.23	8.44	175.16	328.18
Net Carrying Value								
As At March 31, 2022	79.83	112.95	15.72	12.21	1.36	2.72	161.34	386.14

Notes :

Significant estimate: Useful life of tangible assets

The Group has estimated the useful life of the tangible assets based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than the life taken, depending on technical innovations and competitor actions.



RITESH PROPERTIES AND INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

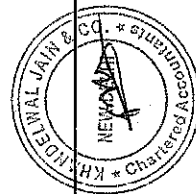
5 Non-Current Financial Assets - Investments

Particulars	As at 31st March, 2022
Investments - Unquoted - Investment in Equity Instruments-Equity Shares	1,108.95
Total	1,108.95
<i>Pursuant to Scheme of Amalgamation of RSML, RIPL and HB FL (Refer note 34)</i>	

Non-Current Financial Assets - Investments

Particulars	As at 31st Mar, 2022	
	No. of Shares	Amount
Financial assets measured at FVTOCI Investment in equity instruments Unquoted Equity Shares Femella Fashions Ltd. Kishan Chand & Co Oil Industries Ltd. Vishal Udyog International Ltd. Shivalik Securities Pvt. Ltd.	10 10 100 10	1,107.23 0.72 1.00 -
Total Investment measured at FVTOCI		1,108.95

Note:



Aggregate amount of quoted investment	
Aggregate market value of quoted investment	
Aggregate amount of unquoted investment	
Aggregate amount of impairment in value of investments	1,108.95

RITESH PROPERTIES AND INDUSTRIES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

9 Current Financial Assets - Investments

Particulars	As at March 31, 2022
Trade Investments	
Investments in Equity Instruments-Equity shares	
Quoted	
Master Trust Ltd.	1.42
Nahar Industrial Ent. Ltd	0.66
Nahar Ploy Films Ltd	2.36
Nahar Spinning Mills Ltd	1.68
R.S.Petro Products Ltd	0.10
Total	6.22

Current Financial Assets - Investments

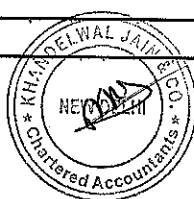
Particulars	Face Value per share	As at 31st No. of Shares
Financial assets measured at FVTOCI		
Investment in equity instruments		
Quoted Equity Shares		
Master Trust Ltd.	10	1,100
Nahar Industrial Ent. Ltd	10	400
Nahar Ploy Films Ltd	10	420
Nahar Spinning Mills Ltd	10	330
R.S.Petro Products Ltd	10	500
Total Investment measured at FVTOCI		2,750

Note:

Aggregate Cost of quoted investment	1.03
Aggregate market value of quoted investment	6.22
Aggregate Cost of unquoted investment	-
Aggregate Cost of impairment in value of investments	-

* Quoted Investments in Equity Shares have been valued as per the Closing Trading price (BSE) as on 31.03.2022 which are as under :

Name of the Company	Closing Trading price (BSE) as on 31.03.2022
Master Trust Ltd.	129.35
Nahar Industrial Ent. Ltd	165.00
Nahar Ploy Films Ltd	560.85
Nahar Spinning Mills Ltd	510.25
R.S.Petro Products Ltd	20.00



6 Non-Current Financial Assets - Others

Particulars	As at 31st March 2022
Fixed Deposits with Bank (Maturity more than 12 months)	7.87
Unsecured, considered good; Security Deposits	24.82
Total	27.64

* Represents Rs.2.82 Lacs as margin money against Bank Guarantee issued to Punjab Pollution Control Board for amounting Rs. 2 Lacs, to be read along with Note no 35

** Security Deposits primarily include deposits given towards electricity, telecommunication and others.

7 Deferred Tax Assets (Net)

Particulars	As at 31st March 2022
A. Deferred Tax Assets	
Related to Unabsorbed Depreciation & Brought Forward Losses	160.19
Others	13.72
(A)	173.91
B. Deferred Tax Liability	
Related to Depreciation on Fixed Assets and Amortisation	3.63
(B)	3.63
Net Deferred Tax Assets / (Liability) (C) = (A)-(B)	170.28

8 Inventories

Particulars	As at 31st March 2022
Stock-in-Trade	
Real Estate (Plot/ Land)	481.80
Shares	357.12
Inventory - Work in progress	5,493.90
Total	6,332.81

*Project Expenses of Rs. 99.51 Lacs for Land Development Charges for Hampton Court project included in Stock of Real Estate.

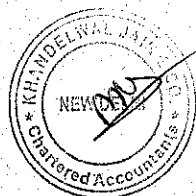
10 Trade Receivables

Particulars	As at 31st March 2022
Trade Receivables Undisputed - considered good	6,221.36
Trade Receivables Undisputed - considered Doubtful	-
Less: Allowance for expected credit loss	-
Trade Receivables Disputed - considered Good	-
Trade Receivables Disputed - considered Doubtful	-
Less: Allowance for expected credit loss	-
Total	6,221.36
Break-up of security details	
(i) Secured, considered good;	-
(ii) Unsecured, considered good;	6,221.36
(iii) Doubtful	-
	6,221.36
Less : Impairment allowance for trade receivables	-
Total	6,221.36

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

The movement in allowance for expected credit loss and credit impairment is as under:-

Particulars	As at 31st March 2022
Opening Balance	-
Additions	-
Write Off (net of recovery)	-
Closing balance	-



RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

Consolidated Balance As at 31st March 2022

Particulars	Undisputed - Good	Undisputed - Doubtful	Disputed - Good	Disputed - Doubtful
Less than 6 months	6,158.29	-	-	-
6 months - 1 Year	-	-	-	-
1 - 2 Years	63.07	-	-	-
2 - 3 Years	-	-	-	-
More than 3 Years	-	-	-	-
TOTAL	6,221.36	-	-	-

11 Cash and Cash Equivalents ("C & CE")

Particulars	As at 31st March 2022
Balances with banks-In current accounts	576.03
Cash In hand	23.60
Total	599.63

12 Loans

Particulars	As at 31st March 2022
Loans and Advances to Related Parties	1,030.25
Loans and Advances to Other Body Corporate	651.95
Loans and Advances to Others	-
	1,682.20
Less: Impairment allowance for Loan & Advance receivable	-
Total	1,682.20
Sub-classification of Loans:	
(i) Loans Receivables considered good - Secured;	-
(ii) Loans Receivables considered good - Unsecured;	1,682.20
(iii) Loans Receivables which have significant increase in Credit Risk; and	-
(iv) Loans Receivables - credit impaired	-

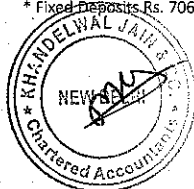
13 Current Tax Assets (Net)

Particulars	As at 31st March 2022
Income Tax Against Appeals (A.Y. 2017-18)	10.00
GST Receivable	55.29
Income Tax Refund Receivables (Earlier Years)	31.37
Total	96.66

14 Other Current Financial Assets

Particulars	As at 31st March 2022
Prepaid Expenses	23.33
Advances to Suppliers	952.23
Fixed Deposits (With Maturity less than 12 months)	700.50
Balance with Government Authorities	65.44
Imprest A/c	1.69
Others	578.72
Total	2,321.92

* Fixed Deposits Rs. 706.49 Lacs pledged against Bank Overdraft Facility with Axis Bank Limited for Amount Rs. 679.00 Lacs



RITESH PROPERTIES AND INDUSTRIES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

15 Equity Share Capital

Particulars	As at 31st March 2022
Authorised Share Capital*	
28,150,000 equity shares of Rs. 10/- each	2,815.00
Issued Share Capital	
2,46,10,465 equity shares of Rs. 10/- each	2,461.05
Subscribed and fully paid-up shares	
2,44,42,915 equity shares of Rs. 10/- each	2,444.29
Total	2,444.29

During the Year 12,22,145 Debentures converted into Equity shares of Rs 10/- each at a premium of Rs 12/- each.

a) Terms/rights attached to equity shares

The Company has only one class of Equity Shares having a par value of Rs. 10 per share. Each holder of Equity shares is entitled to one vote per share. Each Equity holder is eligible for dividend on pro-rata basis. The dividend, if any, declared by the Board is paid after obtaining shareholders' approval in ensuing AGM.

Reconciliation of Equity Shares Outstanding at the beginning and at the end of year	31.03.2022
Particulars	
Equity shares at the beginning of the year	1,15,90,958
Add: Shares Issued	1,28,51,957
Less: Shares Cancelled	-
Equity shares at the end of the year	2,44,42,915

*Shares Issued during the year Construe Debentures Converted into Equity Shares.

c) Shareholders holding more than 5 percent of Equity Shares in the Company

Name of Shareholder	As at 31st March 2022
	No. of share held
Sh. Sanjev Arora	78,93,978
	32.30%
Findoc Finvest Pvt Ltd	72,19,390
	29.54%

d) Shareholding of Promoters

Promoter's Name	No. of Shares	% of Total Shares	%Change during the year
Sanjeev Arora	78,93,978	32.30	226.06
Kavya Arora	7,13,455	2.92	(36.95)
Sandhya Arora	4,04,288	1.65	(17.26)
Ketki Arora	2,86,893	1.17	(36.90)
Sanjeev Arora HUF	1,89,442	0.78	(36.99)
Guneet Arora	19,303	0.08	(35.66)
Aria Arora	4	-	100.00
Findoc Finvest Private Limited	72,19,390	29.54	100.00
Femella Fashions Ltd.	8,07,760	3.30	106.31



RITESH PROPERTIES AND INDUSTRIES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

16 Other Equity

Particulars	As at 31st March 2022
Securities Premium	1,707.24
Retained Earnings	3,856.98
Capital Reserve	2,846.63
Revaluation Reserve	110.67
Equity Component of Debenture	77.13
Other Comprehensive Income	(0.87)
Total	8,597.78

(i) Securities Premium

Particulars	As at 31st March 2022
Opening Balance	1,560.58
Increase/(Decrease) during the year	146.66
Closing Balance	1,707.24

(ii) Retained Earnings

Particulars	As at 31st March 2022
Opening Balance	1,477.50
Changes in accounting policy or prior period errors	-
Restated balance at the beginning of the year	-
Net profit/(loss) for the year	2,379.47
Closing Balance	3,856.98

(iii) Capital Reserves

Particulars	As at 31st March 2022
Opening Balance	2,846.63
Increase/(Decrease) during the year	-
Closing Balance	2,846.63

(iv) Revaluation Reserves

Particulars	As at 31st March 2022
Opening Balance	110.67
Increase/(Decrease) during the year	-
Closing Balance	110.67

(v) Equity Component of Debenture

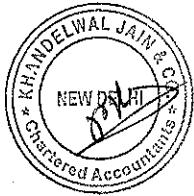
Particulars	As at 31st March 2022
Opening Balance	-
Increase/(Decrease) during the year	77.13
Closing Balance	77.13

(vi) Other Comprehensive Income



RITESH PROPERTIES AND INDUSTRIES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

Particulars	As at 31st March 2022
Opening Balance	(0.87)
Items of Other Comprehensive Income	
Remeasurement of Defined benefit plans (Including Tax Impact)	
Change in value of Equity Instruments Designated through OCI	
Closing Balance	(0.87)



BITESH PROPERTIES AND INDUSTRIES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

17 Non-Current - Borrowings (Amount in Lakhs ₹)

Particulars	As at 31st March, 2022
Secured	
Loan from Bank (Secured Against Vehicles)	92.60
Unsecured Optionally Convertible Debentures	647.43
Total	740.03

Vehicle Loan Rs.125.87 Lacs are secured by way of Hypothecation of respective Vehicle. These Loans are Repayable in equated Monthly Installments and shall be repaid by 2026, Interest Rate vary from 8.35-9.51%p.a.

During the year the company has issued 42 Lacs Unsecured Optionally Fully Convertible Debentures (OFCD) as issue price of Rs. 22/- each having face value of Rs.10/- each OFCD at a premium of Rs. 12/- each. At the option of the investor each OFCD can be converted into 1 equity share of the company. Applicable rate of interest is 0%. OFCD can be converted after 6 months.

Repayment Schedule	Amount
2022-23	33.27
2023-24	36.11
2024-25	30.92
2025-26	22.00
2026-27	3.57

18 Non-Current Financial Liabilities - Others

Particulars	As at 31st March, 2022
Unsecured	
Security Deposits	89.44
Total	89.44

* Security Deposits Represents interest free deposits received from the allottees against electricity connection and facility maintenance

19 Non-Current Liabilities - Provision

Particulars	As at 31st March, 2022
Provision for Employee Benefits Gratuity	16.91
Total	16.91

* As per Actuarial Certificate

20 Current - Borrowings

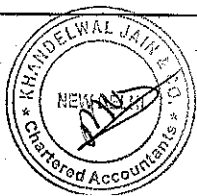
Particulars	As at 31st March, 2022
Unsecured	
Loan from Bank (Overdraft against Fixed Deposits)	212.48
Loan from Related Parties	28.47
Loan from Others	120.00
Current Maturities of Long-Term Debts;*	33.27
Total	394.22

* Current Maturities of Long - term Debts represent portion of vehicle loans amounting to Rs. 33.27

Lakhs, which is payable within a period of 12 months. The vehicle loans from banks are secured by way of hypothecation of respective assets.

20A Related Party Disclosures (Partywise)

Type of Borrower	Amount of Loan or Advance in the nature of Loan Outstanding	% of Total Loans and Advances in the nature of Loans
RELATED PARTIES		
Arisudana Industries Limited	7.67	27%
Kamal Oil & Allied Industries	20.80	73%
TOTAL	28.47	100%



21 Trade Payables

Particulars	As at 31st March, 2022
total outstanding dues of micro enterprises and small enterprises ; and*	
total outstanding dues of creditors other than micro enterprises and small enterprises	141.59
Total	141.59

Trade Payables Includes Rs. Nil Payables to Directors and their Related Parties.

Balance As at 31st March 2022

Particulars	MSME	Others	Disputed MSME	Disputed Others
Less than 1 Year	-	141.57	-	-
1-2 Years	-	0.02	-	-
2-3 Years	-	-	-	-
More Than 3 Years	-	-	-	-
Total	-	141.59	-	-

22 Current Financial Liabilities - Others

Particulars	As at 31st March, 2022
Other Payables	7.20
- Salaries & Wages payable	8.49
- Expenses Payable	852.82
- Payable to Auditor	3.15
- Director's Remuneration Payable	1.48
Total	873.14

Director's Remuneration & Salaries Payables Includes Rs.1.48 Lacs Payables to Directors and their Related Parties.

23 Current Tax Liabilities - Provision

Particulars	As at 31st March, 2022
Provision for Income Tax (A.Y. 2022-23)	123.01
Total	123.01

24 Current Liabilities - Others

Particulars	As at 31st March, 2022
Advance from Customers	892.40
Statutory Dues Payable	35.20
Total	927.60

Advance from Customers Include Rs. 4.36 Lacs from Related Parties.

25 Current Liabilities - Provision

Particulars	As at 31st March, 2022
Provision for Corporate Social Responsibility	14.42
Provision for Employee Benefits*	
Gratuity	40.24
Total	54.66

* As per Actuarial Certificate



RITESH PROPERTIES AND INDUSTRIES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

26 Revenue from operations

Particulars	For the year ended 31st March, 2022
Revenue from Real Estate Activities	7,156.72
Revenue from Sale of Fabrics	29.43
Revenue from Sale of Shares	10,952.83
Revenue from Sale of Other Products	371.15
Total	18,510.12

27 Other Income

Particulars	For the year ended 31st March, 2022
Interest Income	
From FDR	7.35
From Others	152.17
Profit/Loss on Derivatives	1,170.73
Dividend Received	0.86
Sale A/c Verka Both	0.13
Misc Income	66.18
Discount Received	2.51
Labour Cess Received	24.98
Balance Written Off	0.20
Total	1,425.11

28 Purchase of Stock-in-Trade

Particulars	For the year ended 31st March, 2022
Purchase of Stock-in-Trade	
Land	247.88
Knitted Cloth	29.43
Shares	10,759.35
Other Products	342.43
Project Development Expenses	-
Total	11,379.09

29 Changes In Inventories of Stock-In-Trade

Particulars	For the year ended 31st March, 2022
Opening Stock	
Land	380.38
Shares	464.04
WIP	3,213.49
	4,057.90
Closing Stock	
Land	395.28
Shares	357.12
WIP	5,493.90
	6,246.29
Total	(2,188.39)

30 Employee Benefits Expenses



RITESH PROPERTIES AND INDUSTRIES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

Particulars	For the year ended 31st March, 2022
*Salaries and Bonus	279.49
Contribution to Provident and Other Funds	3.54
Gratuity Paid	4.32
Staff Welfare	9.67
Total	297.02

*Includes Directors Remuneration Rs.205.66 Lacs

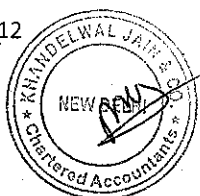
*Includes Directors Sitting Fee Rs. 2.34 Lacs , Director's Conveyance Allowances Rs. 0.60 Lacs, Director's House Rent Allowances Rs.3.08 Lacs, Special Allowance to Directors Rs.1.95 Lacs, TDS on Non Monetary Benefit (Director) Rs.6.24 Lacs

31 Finance costs

Particulars	For the year ended 31st March, 2022
Interest to Banks	0.37
Interest to Others	89.18
Bank Charges	7.48
Interest on Income Tax	1.25
Other Finance Charges	12.21
Total	110.48

32 Other Expenses

Particulars	For the year ended 31st March, 2022
Advertisement	58.36
Electricity Expenses	21.08
Consumables	0.54
Generator Expenses	1.73
Fee & Taxes	49.27
Listing Fee	3.48
Freight Expenses	16.03
Insurance Expenses	5.27
Audit Fee	3.50
Legal Expenses	11.01
Professional Charges	97.97
Vehicle Expenses	15.08
Postage & Telegram	1.17
Telephone Exp	3.94
Rent Paid	63.20
Rent (Ludhiana Office)	6.80
Conveyance	7.38
Director Travelling Exp.	18.91
Travelling Exp.	9.57
Electric Repair	0.47
Site Expenses	0.85
Petrol Expenses	1.02
General Repair	2.79
Business Promotion	19.73
Sales Promotion	45.27
Commission & Brokerage	223.63
AGM Expenses	0.52
Computer & Software Expenses	1.98
Demat Charges	0.02
Diwali Exp.	1.51
Gurgaon Office Expenses-312	2.17
General Exp.	1.95
ERP AMC Charges	1.82



RITESH PROPERTIES AND INDUSTRIES LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

Labour Charges	0.08
Loss on Sale of Fixed Asset	76.82
Maintenace Charges	8.05
Meter Testing Expenses	0.44
Misc. Exp.	1.47
Office Expenses	20.65
Other Charges-Shares	4.16
Photo Copier Exp.	0.34
Printing & Stationery	3.97
Subscription & Membership	4.17
Watch & Wards	17.44
Website Expenses	1.17
Water & Sewarge	0.04
GST Late Filing Fee	0.37
Audio Video Exp	0.20
Project Development Expenses	12.99
CSR Expense	14.42
Total	864.79

33 Earning per Share (EPS) - In accordance with the Indian Accounting Standard (Ind AS-33)

Particulars	For the year ended 31st March, 2022
Basic Earnings Per Share	
Profit /(Loss) After Tax	2,379.10
Profit Attributable to Ordinary Shareholders	2,379.10
Weighted Average Number of Ordinary Shares (used as denominator for calculating Basic EPS)	1,56,74,008
Nominal Value of Ordinary Share	Rs. 10/-
Earnings Per Share - Basic (In Rs.)	15.18
Diluted Earnings Per Share	
Profit /(Loss) After Tax	2,379.10
Profit Attributable to Ordinary Shareholders	2,379.10
Weighted Average Number of Ordinary Shares (used as denominator for calculating Diluted EPS)	1,85,86,595
Nominal Value of Ordinary Share	Rs. 10/-
Earnings Per Share - Diluted (In Rs.)	13.08



34. AMALGMATION OF RITESH SPINNING MILLS LIMITED, RITESH IMPEX PRIVATE LIMITED AND H.B. FIBRES LIMITED

- (a) Pursuant to Scheme of Amalgamation (Scheme) amongst Ritesh Spinning Mills Limited, Ritesh Impex Private Limited and H. B. Fibres Limited with the company under section 230 to 232 of the Companies Act, 2013 sanctioned by National Company Law Tribunal, New Delhi Bench on 16th August, 2021 all assets and liabilities are transferred and vested in the company with appointed date of 1st April, 2018.
- (b) The amalgamation has been accounted in the books of account of the Company following pooling of interest method and in accordance with Ind AS 103 'Business Combination' read with Appendix C to Ind AS 103 specified under Section 133 of the Act, read with the Companies (Accounting Standards) Amendment Rules, 2016. Accordingly, the accounting treatment has been given as follows:
- The assets, liabilities and reserves of Ritesh Spinning Mills Limited, Ritesh Impex Private Limited and H. B. Fibres Limited have been incorporated in the financial statements at the carrying values.
 - Authorized Share Capital of Rs. 210 Lacs of Ritesh Spinning Mills Ltd., Rs. 5 Lacs of Ritesh Impex Pvt. Ltd. and Rs.500 Lacs H B Fibre Ltd. stand transferred as authorised share capital of the company.
 - Suspense Share Capital is created for issue of share capital to Shareholders and Debenture-holders of Ritesh Spinning Mills Ltd., Ritesh Impex Private Limited and H. B. Fibres Ltd. for Rs. 746.89 Lacs, Rs. 189.65 Lacs and Rs. 140 Lacs respectively.
 - The difference between book value of shares and debentures of Ritesh Spinning Mills Ltd., Ritesh Impex Private Limited and H. B. Fibres Ltd. and face value of Suspense Share Capital to be issued amounting to Rs 1853.56 Lacs has been adjusted to capital reserve of the Company as Gain on Bargain Purchase.
 - Inter-Company balances and transactions have been eliminated.
 - The balance of the retained earnings, general reserve and revaluation reserve appearing in the financial statements of Ritesh Spinning Mills Ltd., Ritesh Impex Private Limited and H. B. Fibres Ltd. have been aggregated with corresponding balance appearing in the financial statements of the Company.
 - The financial information in the financial statements in respect of prior period have been restated as if business combination had occurred from the beginning of the preceding period in the financial statements irrespective of actual date of combination in accordance with Ind AS 103



35. Critical Accounting Estimates and Judgments

The estimates and judgments used in the preparation of the said financial statements are continuously evaluated by the Group, and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Group believes to be reasonable under the existing circumstances. The said estimates and judgments are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Although the Group regularly assesses these estimates, actual results could differ materially from these estimates—even if the assumptions under-lying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognized in the financial statements in the period in which they become known.

The areas involving critical estimates, assumptions or judgments are:

1. Useful lives of property, plant and equipment's Note 4
2. Measurement defined benefit obligation Note 19 & 25
3. Estimation of provisions & contingent liabilities refer Note 23 & 37
4. Estimation of fair value of unlisted securities Note 5

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

36. During the year, Group has recognized the following amounts in the financial statements as per Ind AS19 "Employees Benefits" issued by the ICAI:

Defined Benefit Plan

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation and the obligation for leave encashment is recognized in the same manner as gratuity.

Table Showing Changes in Present Value of Obligations:

Period	(In Lakhs)
	From: 01-04-2021 To: 31-03-2022
Present value of the obligation at the beginning of the period as provided by the Group	49.65
Interest cost	3.48
Current service cost	4.32
Past Service Cost	0
Benefits paid (if any)	0
Actuarial (gain)/loss	(0.30)



Present value of the obligation at the end of the period	57.15
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(The amount to be recognized in the Balance Sheet):

Period	As on: 31-03-2022
Present value of the obligation at the end of the period	57.15
Fair value of plan assets at end of period	0
Net liability/(asset) recognized in Balance Sheet and related analysis	57.15
Funded Status - Surplus/ (Deficit)	(57.15)

Expense recognized in the statement of Profit and Loss:

Period	From: 01-04-2021 To: 31-03-2022
Interest cost	3.48
Current service cost	4.32
Past Service Cost	0
Expected return on plan asset	(0)
Expenses to be recognized in P&L	7.80

Other comprehensive (income) / expenses (Remeasurement)

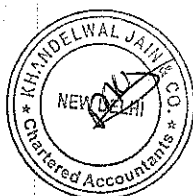
Period	From: 01-04-2021 To: 31-03-2022
Cumulative unrecognized actuarial (gain)/loss opening. B/F	22.50
Actuarial (gain)/loss – obligation	(0.30)
Actuarial (gain)/loss - plan assets	0
Total Actuarial (gain)/loss	(0.30)
Cumulative total actuarial (gain)/loss. C/F	22.20

Actuarial assumptions provided by the Group and employed for the calculations are tabulated:

Discount rate	7.00 % per annum
Salary Growth Rate	5.00 % per annum
Mortality	IALM 2012-14
Withdrawal rate (Per Annum)	5.00% p.a.

Maturity Profile of Defined Benefit Obligation: Maturity analysis of benefit obligations.

01 Apr 2022 to 31 Mar 2023	40.23
01 Apr 2023 to 31 Mar 2024	0.44
01 Apr 2024 to 31 Mar 2025	0.44
01 Apr 2025 to 31 Mar 2026	2.65
01 Apr 2026 to 31 Mar 2027	0.31
01 Apr 2027 Onwards	10.44



Sensitivity Analysis:

Period	As on: 31-03-2022
Defined Benefit Obligation (Base)	54.52 @ Salary Increase Rate : 5%, and discount rate :7%
Liability with x% increase in Discount Rate	53.24; x=1.00% [Change (2)%]
Liability with x% decrease in Discount Rate	56.00; x=1.00% [Change 3%]
Liability with x% increase in Salary Growth Rate	54.90; x=1.00% [Change 1%]
Liability with x% decrease in Salary Growth Rate	54.32; x=1.00% [Change 0%]
Liability with x% increase in Withdrawal Rate	54.72; x=1.00% [Change 0%]
Liability with x% decrease in Withdrawal Rate	54.30; x=1.00% [Change 0%]

37. Contingencies

Contingent Liabilities in respect of:

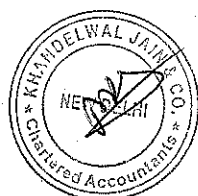
(Amounts in Lakhs)

Particulars	As at 31 st March, 2022
Guarantees given by banks on behalf of the Group	2.00
Claims against the Group not acknowledged as debt in financial statements	Nil
Impact of pending litigations not acknowledged as debt in financial statements	Nil
Income tax Matters not acknowledged as debt in financial statements	908.30
Unexecuted Capital Commitment (Net of Advances)	Nil

- The Group has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a material impact on its financial position.
- The Group Periodically Review all its long term contracts to assess for any material foreseeable losses, Based on such review wherever applicable, the Group has adequate provisions for these long term contracts in the books of accounts as required under any applicable law/accounting standards
- As at March31, 2022 the Group did not have any outstanding long term derivative Contracts.

38. Disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follows:

Particulars	As at March 31, 2022
Principal amount due	-
Interest due on above	-
Interest paid during the period beyond the appointed day	-



Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-
Amount of interest accrued and remaining unpaid at the end of the period	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprises for the purpose of disallowance as a deductible expenditure under Sec.23 of the Act	-

Note: The above information and that is given in 'Note-21' Trade Payables regarding Micro and Small Enterprises has been determined on the basis of information available with the Group and has been relied upon by the auditors.

39. Related Party Disclosures as required by IND AS -24

i) Related parties where control exists or with whom transactions have taken place during the year.

(A) DIRECTORS AND KEY MANAGERIAL PERSONNEL OF PARENT COMPANY

- o Sh. Sanjeev Arora Chairman cum Managing Director
- o Sh. Roop Kishor Fathepuria Whole Time Director
- o Sh. Kavya Arora Whole Time Director & CFO (Upto 06.12.2021)
- o Sh. Surinder K Sood Director
- o Sh. Varinder Singh Billing Director (Upto 28.11.2020)
- o Sh. Gurpreet Singh Brar Director
- o Smt. Shweta Sehgal Director
- o Sh. D.P.Reddy Director
- o Sh. Rohit Kumar Maggu Director
- o Sh. Hemant Sood Director(w.e.f 14/08/2021)
- o Ms. Tarandeep Kaur Company Secretary
- o Mr. Deepak Sharma Chief Financial Officer (w.e.f. 07.12.2021)

(B) KEYMANAGERIAL PERSONNEL OF FINTON HOMES(SUBSIDIARY)

- o Sh. Chander Shekar Partner
- o Sh. Hemant Sood Partner

(C) ENTITIES UNDER CONTROL OF KMP & THEIR RELATIVES

- o Kamal Oil & Allied Industries Ltd
- o K P Advisors (Realty) Pvt Ltd
- o Femella Fashions Ltd
- o Ritesh Rentals (P) Ltd
- o Arisudhana Industries Ltd.
- o NP Blockhouse Real Estate Pvt. Ltd.
- o Findoc Investmart Private Limited
- o Findoc Commodities Private Limited
- o Findoc Finvest Private Limited
- o Kripra Real Estate Private Limited

OTHERS

- o Mrs. Guneet Arora

Wife of Sh. Kavya Arora, Director and
Daughter in Law of Sh. Sanjeev Arora,
Chairman cum Managing Director.



o Mrs. Sandhya Arora

Wife of Sh. Sanjeev Arora, CMD and
Mother of Sh. Kavya Arora, Director

ii) The following is a summary of significant related party transactions:

Sr. No.	Name of Company/Firm/ Individual	Nature of Transaction	Year Ended as on 31.03.2022 (Amount in Lakh Rs.)
1.	Femella Fashions Ltd.	- Loan Given - Loan Received back -Expenses made on behalf of company -Allocated Cost of Common Facility Used -Purchases of Gift Cards	1216.75 1971.43 22.24 29.48 1.48
2.	K P Advisors (Realty) Pvt Ltd.	Loan Given	0.55
3.	Sh. Sanjeev Arora	Salary Income Tax on Non Monetary Perquisites Rent Paid Loan Given Loan Received back Repayment of advance for property Loan Adjusted from Advances Reimbursement of Expense Advance Received for Property Interest Income	120.00 6.24 12.00 315.00 315.00 806.00 1106.00 2.69 21.20 0.40
4.	Sh. Kavya Arora, KMP	Salary Rent Paid Loan Repayment	72.00 12.00 5.50
5.	Mrs. Sandhya Arora	Rent Paid Loan Repayment Service Income	12.00 14.50 0.30
6.	Guneet Arora	Loan Repayment Service Income	5.00 0.30
7.	Sh. Roop Kishore Fathepuria, KMP	Salary Perks & Other Allowances	13.66 5.64
8.	Surinder K Sood	Sitting Fees	0.94
9.	Gurpreet Singh Brar	Sitting Fees	0.58
10.	Shweta Sehgal	Sitting Fees	0.42



11	Deva Pampapathi Reddy	Sitting Fees	0.40
12	Tarandeep Kaur	Salary Professional Fee Reimbursement of Expenses	6.24 0.20 2.85
13	Sh. Hemant Sood	Share of Profits Capital contribution	835.05 90.00
14	Sh. Chander Shekar	Share of Profits Capital contribution	835.05 150.00
15	NP Blockhouse Real Estate Pvt. Ltd.	Expenses made on behalf of Company Amount Recovered from Company related to Expenses Loan Given	13.87 5.24 63.00
16	Arisudhana Industries Ltd.	Loan Taken Loan Repayment Interest Expense Advance Received for Property Interest Income	370.00 370.00 8.52 70.06 0.47
17	Findoc Commodities Private Limited	Brokerage & Charges	0.41
18	Findoc Investmart Private Limited	Brokerage & Charges	3.71
19	Findoc Finvest Private Limited	OFCDs Issue Loan taken Loan Repayment Conversion of OFCD into Equity Shares	924.00 100.00 100.00 268.87
20	Kriptra Real Estate Private Limited	Purchase	140.00
21	Deepak Sharma	Salary	2.40



iii) Amount due from/To Related Parties

Particulars	As on 31.03.2022 (Rs.)
i) Due to Related Parties (included in Unsecured Loans & Current Liabilities)	
Arisudana Industries Ltd.	99.75
Kamal Oil and Allied Industries Ltd.	20.80
Kavya Arora	4.40
Roop Kishor Fatehpuria	1.48
Surinder K Sood	0.94
Shweta Sehgal	0.42
D.P Reddy	0.40
Sanjeev Arora	31.46
Sandhya Arora	6.99
Sh. Hemant Sood	2379.16
Sh. Chander Shekar	2171.97
Guneet Arora	7.38
ii) Due from Related Parties (included in Loans & Advances & Sundry Debtors)	
NP Blockhouse Real Estate Pvt. Ltd.	6.65
KP Advisors (Realty) Pvt. Ltd.	1.67
Sanjeev Arora	960.45
Findoc Investmart Private Limited	1606.61
Tarandeep Kaur	0.54

40. Expenditure in Foreign Currency : Rs. Nil.

41. Segment Reporting as per IND AS 108

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief operating decision maker regularly monitors and reviews the operating result of the whole Group. As defined in Ind AS 108 "Operating Segments", the Group's entire business falls under these Operational segments: -

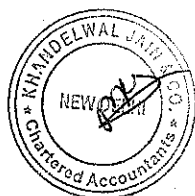
1. Real Estate
2. Textile Division
3. Trading in shares & Derivatives

Information about Reportable Segments:

(In Lakhs)



Particulars	2021-22				Total
	Real Estate	Textile	Shares	Other	
Revenue / Sales	7156.72	29.43	10952.83	371.15	18510.12
Results	3464.31	(10.82)	86.56	-	3540.05
Profit before Interest & Finance Cost	3464.31	(10.82)	86.56	-	3540.05
Unallocable Expenses	-	-	-	-	1216.41
Operating Profit	-	-	-	-	2323.64
Interest Expenses	-	-	-	-	110.48
Unallocable Income	-	-	-	-	1796.26
Net Profit	-	-	-	-	4009.42
Assets	17806.86	31.77	1115.17	-	18953.80
Liabilities	3360.60	-	-	-	3360.60
Share Capital	-	-	-	-	2444.29
Reserve & Surplus	-	-	-	-	8597.78
Segment Depreciation	-	-	-	-	54.61
Segment other non-cash expense	-	-	-	-	-
Segment Capital Expenditure	-	-	-	-	-



42. Financial Instruments by category

(In Lakhs)

Particulars	Level	Mar-22		
		FVTPL	FVTOCI	Amortised Cost
1) Financial Assets				
I) Investments (Note No. 5 & 9)	1	-	1108.95	6.22
II) Trade receivables (Note No. 10)	3	-	6221.36	
III) Cash and Cash equivalents (Note No. 11)	1	-	599.63	
IV) Other receivables (Note No. 6 & 12)	3	-	1709.84	
Total Financial Assets		-		
2) Financial liabilities				
I) Borrowings				
A) From Banks (Note No. 17)	3	-	-	740.03
B) From Others (Note No. 20)	3	-	-	394.22
II) Trade payables (Note No. 21)	3	-	-	141.59
III) Other liabilities (Note No. 18 & 22)	3	-	-	962.58
Total Financial Liabilities		-	-	

Fair Value measurement

Fair Value Hierarchy and valuation technique used to determine fair value:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and are categorized into Level 1, Level 2 and Level 3 inputs.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.



43. Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Group's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Group's senior management has the overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyses the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cashflows as at the Balance Sheet date.

(In Lakhs)

Particulars	Notes Nos.	Less than 12 months	1 to 5 Years	Above 5 Years	Total
As at March 31, 2022					
Borrowings	17,20	394.22	740.03	-	1134.25
Trade payables	21	141.57	0.02		141.59
Other liabilities	18,22	873.14	89.44	-	962.58

Market Risk

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



POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
INTEREST RATE RISK		
<p>Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.</p> <p>a) Group has Fixed deposits with Banks amounting to ₹ 703.32 Lakhs as at March 31st, 2022</p> <p>Interest Income earned on fixed deposit for year ended March 31st, 2022 is ₹7.35Lakhs</p> <p>b) Group has Borrowing from Banks amounting to ₹ 740.03Lakhs as at March 31st, 2022</p> <p>Interest Expenses on such borrowings for the year ended March 31st, 2022 is ₹ 12.58Lakhs</p>	<p>In order to manage its interest rate risk The Group diversifies its portfolio in accordance with the risk management policies.</p>	<p>As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Group has calculated the impact of a 1% change in interest rates.</p> <p>a) A 1% increase in interest rates would have led to approximately an additional ₹ 7.03 Lakhs gain for year ended March 31st, 2023 in Interest income. A 1% decrease in interest rates would have led to an equal but opposite effect.</p> <p>b) A 1% increase in interest rates would have led to approximately an additional ₹ 7.40 Lakhs loss for year ended March 31st, 2023 in Interest expense. A 1% decrease in interest rates would have led to an equal but opposite effect.</p>

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Group established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At 31 March 2022, the Group had top 5 customers that owed the Group more than ₹1665.01 Lakhs and accounted for approximately 26.76% of all the receivables outstanding.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 14. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.



Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Group's policy. Counterparty credit limits are reviewed by the management on an annual basis, and may be updated throughout the year. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March, 2022 is the carrying amounts as illustrated in Note 11.

Capital management

Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximize the shareholder value.

(In Lakhs)		
Particulars	Note	31-Mar-22
Borrowings	17&20	1134.25
'Less : Cash and Cash equivalents	11	599.63
Total Debt		534.62
Equity		11042.07
Net Debt to Equity		4.84%

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

44. During the year, the Group increased the Authorized Share capital of the Group in conformity with the provisions of the Act. Clause V, The Authorized Share Capital of the Group is Rs. 2815.00 Lakhs (Rupees Twenty eight Crores Fifteen Lacs) divided into 281.50 Lakhs (Two crores Eighty-one Lacs Fifty thousands) Equity shares of the face value of Rs. 10/- (Rupees Ten only) each. The corresponding form for increase in authorized share capital has been duly filed.

45. During the year, the issuance of Optionally Fully Convertible Debentures by way of preferential issue on private placement basis in accordance with provisions ascribed in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2019 was approved in Board Meeting dated 15th February, 2021. The Board of Directors in their meeting held on April 08, 2021 allotted 42,00,000 (Forty Two Lakh) Optionally Fully Convertible Debentures (OFCD) of the face value of 10/- (Rupees Ten Only) each on private placement basis at an issue price of 22/- (Rupees Twenty Two Only) each i.e. at a premium of 12/- (Rupees Twelve Only) per OFCD.

46. During the previous financial year, an Open Offer for the Acquisition of up to 41,05,650 Equity Shares of Face Value of Rs. 10/- each Constituting 26% of the expanded equity share capital of Ritesh Properties And Industries Limited from the public shareholders of the Group was made by Findoc Finvest Private Limited ("Acquirer") and acquired accordingly.



47. Tax Reconciliation

(In Lakhs)

Particulars	31.03.2022
Net Profit as per Profit and Loss Account (before tax)	4009.41
Current Tax rate (MAT)	25.17%
Current Tax	1009.17
Adjustment:	
Exempt u/s 10	0
Unabsorbed Depreciation/Losses	0
Others	887.32
Tax Provision as per Books	121.85

48. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. The Ministry of Labor and Employment ('Ministry') has released draft rules for the Code on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.

49. The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and Right of Use Assets are held in the name of the Group as at the balance sheet date.

50. The Group does not have any Investment Property.

51. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

52. The Group has no transactions with struck-off companies.

53. During the Year, the Group has no charge which is yet to be made register with ROC.

54. Following are the Ratios:

Ratios	Numerator	Denominator	AS at 31/3/22 Ratio
Current ratio	17260.79	2514.22	6.87
Debt-Equity Ratio	1134.25	11042.07	0.10



Debt Service Coverage Ratio	4154.82	396.01	10.49
Return on Equity Ratio	4053.84	11042.07	0.37
Inventory Turnover Ratio	14598.92	3166.41	4.61
Trade Receivable Turnover Ratio	18510.12	3110.68	5.95
Trade Payable Turnover Ratio	18510.12	70.80	261.46
Net Capital Turnover Ratio	18510.12	14746.57	1.26
Return on Capital Employed	4053.84	18510.12	0.22
Return on Investment	4100.21	12176.32	0.34
	4053.84	12176.32	0.33

Note: Being first year of consolidation previous year ratios, variance and reason of change are not applicable.

55. The Group has granted loans or advance in the nature of loan to promoters, directors, KMPs and related parties which repayable on demand are as under:

Type of Borrower	Amount of Loan or advance in the nature of loan outstanding	Percentage of total loans and advance in the nature of loans.
Promoter cum Director	Rs.960.45 Lacs	57.09%
Related Parties	Rs.69.82 Lacs	4.15%

56. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

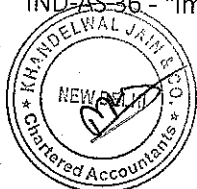
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Group or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

57. The Company hold 55% share in subsidiary partnership firm Finton Homes, pursuant to the Scheme of Amalgamation as given in note no. 34 above. The Consolidated Financial Statements for the financial year ended March 31, 2022 represent the Company including its subsidiary partnership firm, Finton Homes. This being the first reporting year for the consolidated Financial Statements for the year ended March 31, 2022, corresponding figures of the year ended March 31, 2021 are not applicable and accordingly cash flow statement has not been prepared

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

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

59. The Group has carried out Impairment Test on its Fixed Assets as on March 31, 2022 and the Management is of the opinion that there is no asset for which impairment is required to be made as per IND-AS-36 - "Impairment of Assets".



60. As per Section 135 of the Companies Act, 2013, the company, meeting the applicable thresholds ascribed under section 135 of the aforesaid Act, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility ("CSR") activities in a financial year and if such a company fails to spend the required amount towards CSR activities in a financial year then such unspent amount, unless the unspent amount relates to any ongoing project as referred to in sub-section (6) of section 135, shall be transferred to a fund specified under schedule VII of the Companies Act, 2013 within such time limit as prescribed under section 135 of the Act.

As per section 135 read with section 198 of the Companies Act, 2013, amount required to be spent by the company during the year was Rs. 14.42 Lacs, being 2% of the average Net Profit of the company. However, the company was unable to spend the amount towards CSR owing to non-availability of suitable projects, therefore, the company will transfer the unspent amount in a fund specified under the Schedule VII of the Act, within a period of six months of the end of the financial year i.e., on or before 30th September, 2022.

61. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

62. The Group has not been declared as a wilful defaulter by any lender who has powers to declare a Group as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.

63. The Group has utilized funds raised from borrowing from banks & financial institution for the specific purpose for which they were issued and there were no funds which are pending for Utilization for specific purposes.

64. The Group has not obtained working capital limit from banks or financial institution on the basis of security of current assets.

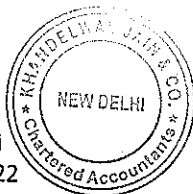
65. The Group does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

66. Corresponding figures of previous year have been regrouped / reclassified wherever deemed necessary and the figures have been rounded off to the nearest rupee.

For Khandelwal Jain & Co.,
Chartered Accountants
(Firm Registration No. 105049W)

(Manish Kumar Singhal)
Partner
M. No. 502570

Place: New Delhi
Date: 30/05/2022



On behalf of the Board
Ritesh Properties & Industries Ltd.

(Sanjeev Arora)
DIN: 00071748
Chairman Cum
Managing Director

(Deepak Sharma)
Chief Financial Officer

(Kavya Arora)
(DIN :02794500)
Executive Director
& Whole Time Director

(Tarandeep Kaur)
(ACS42144)
Company Secretary