

**MANJEERA**  
Life Elevated

08<sup>th</sup> September, 2022

To,  
The General Manager,  
Department of Corporate Services  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001

**BSE Scrip Code: 533078**

Dear Sir,

**Subject: Submission of Notice of the 35<sup>th</sup> Annual General Meeting and Annual Report for the FY 2021-22 under Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

This is to inform that the 35<sup>th</sup> Annual General Meeting of the members of the Company will be held on Friday, 30<sup>th</sup> September, 2022 at 10:00 A.M through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) without the physical presence of the Members at a common venue in compliance with General Circular No. 14/2020, 17/2020, 20/2020, 02/2021 and 02/2022 issued by Ministry of Corporate Affairs (MCA Circulars) to transact the business as set out in the Notice convening the 35<sup>th</sup> Annual General Meeting

Pursuant to Regulation 34(1) and Regulation 30(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of 35<sup>th</sup> Annual General Meeting for the Financial Year 2021-22 which is sent to the Members by e-mail. The Annual Report for the Financial Year 2021-22 is also available on the website of the Company i.e., [www.manjeera.com](http://www.manjeera.com).

Further, in terms of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014 (as amended), and Regulation 44 of SEBI Listing Regulations, 2015, the Company will provide to its members, the facility to cast their vote(s) on all resolutions set forth in the Notice by remote e-voting or voting through electronic means during the Annual General Meeting, on the businesses specified in the Notice convening the 35<sup>th</sup> Annual General Meeting of the Company.

This is for your information and record.

Thanking You,

Yours Sincerely,  
**For Manjeera Constructions Ltd,**

Narsimha A. Mettu  
Company Secretary



Encl: a/a

**Manjeera Constructions Ltd.**

# 711, Manjeera Trinity Corporate, JNTU – Hitech City Road, Kukatpally, Hyderabad – 500 072,

CIN : L45200AP1987PLC007228

Ph: +91 40 66479647 / 66479664, E-mail : [info@manjeera.com](mailto:info@manjeera.com), [www.manjeera.com](http://www.manjeera.com)



**MANJEERA**  
Life Elevated

**DELIVERING PERFORMANCE  
THAT RANKS HIGH ON QUALITY.**



## From the Chairman's & Managing Director

### *Dear Shareholders,*

I warmly welcome you to the 35<sup>th</sup> Annual General Meeting of your Company.

The past couple of years has been one of the most challenging and uncertain times experienced across the globe. As we continue to emerge out of this phase, I hope all of you and your loved ones continue to be safe and well.

#### **Operational Performance Review**

I am happy to inform you that, despite the hardships faced in the recent past, your Company exhibited strong resilience during this challenging phase and has come out even stronger, delivering a strong performance across all key parameters during the fiscal.

- Revenue from operations on a standalone basis increased to Rs. 4033.12 Lakhs as against Rs. 3132.25 Lakhs in the previous year - an increase of 28.76%.
- Cost of goods sold as a percentage to revenue from operation decreased by 14% as against 14% increase in the previous year.
- Employee cost as percentage to revenue from operations decreased to 3.85% (Rs.155.15lakhs) as against 5.27% (Rs.165.05 Lakhs) in the previous year.
- The Profit/(Loss) after Tax for the current year is Rs.65.44 Lakhs as against (Rs.763.94) Lakhs in the previous year.
- On a consolidated basis, the Company, its subsidiaries and associate Companies, achieved operating revenue of Rs. 9804.16Lakhs as against Rs. 6354.65Lakhs.

#### **Our Projects & Performance**

The year under review has seen improvement in turnover / business activity though the impact of second wave of COVID 19 Pandemic was felt through the first and second quarters of the Financial Year. The 2<sup>nd</sup> wave of COVID followed by the Russia-Ukraine crises have set in casting a spell on the economic activity revival. The impact is more conspicuous in construction / real estate sector – particularly commercial real estate space. However, your company could show an improved performance during 2021-22 compared to 2020-21. With the things starting to see normalcy from the effects of Pandemic, now Your Company has started to pursue the Project at Ongole (Villas / Apartments) with a few positive signals / trends in the project area.

The Company has obtained all required approvals from the concerned authorities to develop apartment complexes by name "Newyork" at "Allasandra" near Yalahanka in Bangalore City on development basis. The project involves development of 5.61 Lakh SFT of total area tentatively (including the land owners share). The preliminary works have started and NOCs from various departments received. Approval from Local Municipal Corporation is received. Detailed Design Coordination for Architectural and structural engineering is in progress. Approvals from RERA have been received.

The work on the project called “Lake City” at Hafeezpet, Hyderabad, through its associate (Vasavi Realtors LLP) has been progressing and it is expected to achieve faster pace during the year. The project involves development of residential apartments for a total area of about 30 Lakhs SFT.

The Company has also been successful in acquiring a piece of land admeasuring 2.92 Acres in Khanamet, Near Hitech City and in Ameenpur through online auction conducted by Telangana State Government. The acquisition is meant for a residential complex to be developed and it is being pursued for completing the formalities related to land acquisition and to take up all the works connected with the approvals and planning for the project.

### **Our Strengths**

Manjeera continued to solidify its presence as a brand known for its commitment to quality and timely delivery. The company adapted and evolved while staying strongly grounded on its values and purpose.

Over the years, we have always kept a close eye on trends within the sector that reflected changing customer lifestyles and expectations. Our capabilities and visions have drastically improved and we have continuously strived to stay up-to-date.

Manjeera’s unwavering focus on technology, sustainability, quality and an inclusive work culture has enabled us to embrace every challenge and capitalize on it.

Our projects are always aligned with our customers’ needs, and our ability to foresee opportunities across market segments helps us to strategically scale-up our business and thereby create strong and enduring value for all our stakeholders.

### **Safety, Health and Environment**

SAFETY IS FIRST Safety is integrated into Manjeera’s way of working and is an integral component of day-to-day activities, be they in the offices, on sites, or in factories. Continuous efforts are made to raise awareness and understanding of the value of safety and health practices across the organization. A systematic approach to finding and fixing hazards in the workplace forms a part of these programmes.

Complying with these three cardinal principles of Safety, Health and Environment are at the very heart of our business philosophy.

### **CSR Activities**

We believe that a successful organisation looks beyond business horizons. Through our not-for-profit trust organisation, ‘Vasavi Foundation for Empowerment’ your company is working on empowering people through education, employment and entrepreneurship, by providing financial support for education, employment, skill development and talent development.

Manjeera has always looked well beyond its business concerns when it comes to serving society. In difficult and testing times like these, it is all the more an important priority for us. Our community outreach efforts include various philanthropic programs.

### **Employee Welfare**

Manjeera’s real strength lies in the commitment and quality of its people. With that in view, your company continues to engage in various employee welfare initiatives to boost their morale and keep them committed to their work in a positive frame of mind.

Manjeera’s HR philosophy seeks to establish, build and retain a strong performance and competency-driven culture with a high degree of accountability and responsibility.

We focus on creating an environment that enhance our employees’ sense of pride in what they are doing, thereby leading to higher efficiency and productivity. Manjeera’s HR policies and systems are designed to motivate its workers to innovate and apply new ideas, so as to achieve significant improvements in both

size and scale of its operations. They are given every opportunity to grow and prosper in their lives. Your company’s Industrial Relations remained stable throughout FY 2021-22.

Along with my Leadership team, I sincerely thank our Board Members, customers, shareholders, business associates, suppliers and all other stakeholders for the trust they have reposed in us all the way.

As we foray into the future, Manjeera will only strengthen its leadership with greater focus on internal and external processes and systems, continuing to move ahead on a journey of relentless execution and performance on a strong footing.

With my best wishes to all of you

**G Yoganand**  
*Chairman and MD*

# Completed Projects

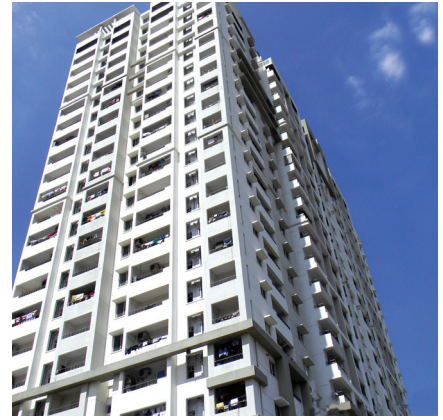


**Manjeera Sarovar  
Premier Hotel**

MANJEERA  
**majestic**  
HOMES



MANJEERA  
**TRINITY**  
HOMES



MANJEERA  
**majestic**  
COMMERCIAL



**Purple  
town**  
premium villas from Manjeera

**Manjeera International  
Convention Centre**



## Ongoing Projects



Vasavi Lake City, Hafeezpet



Manjeera Blue, Ongole



Manjeera Monarch, Vijayawada



Newyork by Manjeera, Bangalore

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## Upcoming Projects



Trump Towers, Hyderabad



Tuscany, Zheerabad

# Board of Directors

**Mr. G. Yoganand**  
Chairman & Managing Director

**Mr. K. Krishna Murty**  
Independent Director

**Mr. DLS Sreshti**  
Independent Director

**Mr. Sudhakar Gande**  
Independent Director

**Mr. G. Vivekanand**  
Director

**Ms. G. Veena**  
Director

**Mr. Krishna Gokeda**  
Chief Financial Officer (CFO)  
(upto 21.05.2022)

**Mr. CH N V Rambabu**  
Company Secretary & Compliance Officer  
(Upto 02.08.2022)

**Mr. Sudhir Kilaru**  
Chief Financial Officer (CFO)  
(w.e.f 12.08.2022)

**Mr. Narsimha A. Mettu**  
Company Secretary & Compliance Officer  
(w.e.f 12.08.2022)

## **Audit Committee**

Mr. DLS Sreshti  
Mr. K. Krishna Murty  
Mr. Sudhakar Gande  
Ms. G. Veena

## **Nomination & Remuneration Committee**

Mr. DLS Sreshti  
Mr. K. Krishna Murty  
Ms. G. Veena

## **Stakeholders Relationship Committee**

Mr. K. Krishna Murty  
Mr. DLS Sreshti  
Ms. G. Veena

## **Corporate Social Responsibility Committee**

Mr. K. Krishna Murty  
Mr. DLS Sreshti  
Mr. G. Yoganand

## **Statutory Auditors**

M/s. M. Bhaskara Rao & Co.,  
Chartered Accountants,  
Hyderabad

## **Secretarial Auditor**

R & A Associates  
Company Secretaries, Hyderabad

## **Principal Banker**

Punjab National Bank

## **Registered Office**

#711, Manjeera Trinity Corporate,  
JNTU-Hitech City Road,  
Kukatpally, Hyderabad-500072  
Ph: +91-40-66479600 / 66479647  
Email: cs@manjeera.com  
Website: www.manjeera.com

## **Registrar & Share Transfer Agents**

M/s. XL Softech Systems Limited  
Plot No. 3, Sagar Society, Banjara Hills  
Road No. 2, Hyderabad – 500034  
Ph: +91-40-23545913/14/15 Fax: +91-40-23553214  
Email: xlfield@gmail.com  
Website: www.xlsoftech.com  
Contact Person: Mr. Ram Prasad



# CONTENTS

Notice to Members  
Directors Report  
Secretarial Audit report – Annexure I  
Disclosure of Loans/Guarantees or Investments -Annexure-II  
Disclosure of contracts/ arrangements with related parties in Form AOC-2–Annexure III  
Form No. AOC-1–Annexure IV  
Details/Disclosures of Ratio of Remuneration to each Director and KMP – Annexure V  
Management Discussions & Analysis Report – Annexure—VI  
Report on Corporate Governance – Annexure-VII  
Certificate of Non-Disqualification of Directors  
Auditor’s certificate on Corporate Governance  
CEO/CFO Certification  
Independent Auditors’ Report  
Annexure to Independent Auditors’ report on Standalone Financial Statements  
Standalone Balance Sheet  
Standalone Profit and Loss Account  
Standalone Cash Flow Statement  
Notes and Schedules to Standalone Balance Sheet and Profit & Loss Account  
Independent Auditors’ Report on Consolidated Accounts  
Annexure to Independent auditors’ report on consolidated financial statements  
Consolidated Balance Sheet  
Consolidated Profit and Loss Accounts  
Consolidated Cash Flow Statement  
Notes and Schedules to the Consolidated Balance Sheet and Profit & Loss Account  
Electronic Communication Form (Green Initiative)

## NOTICE TO MEMBERS

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting of the Members of “**Manjeera Constructions Ltd**” will be held on Friday, 30<sup>th</sup> September, 2022 at 10.00 A.M through Video Conferencing (VC) facility/Other Audio Visual Means (OAVM) at the Registered Office of the Company to transact the following business:

### ORDINARY BUSINESS

#### Item No. 1 – Adoption of Financial Statements

To consider and adopt:

- a. Audited Financial Statements of the Company for the Financial Year ended March 31<sup>st</sup>, 2022 together with reports of the Board of Directors (“the Board”) and Statutory Auditors thereon.
- b. Audited Consolidated Financial Statements of the Company for the Financial Year 31<sup>st</sup> March 2022 together with the reports of Statutory Auditors thereon.

#### Item No. 2 – Re-Appointment of Mr. Gajjala Vivekanand, Director of the Company liable to retire by rotation

To consider the reappointment of Mr. Gajjala Vivekanand, who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the rules made thereunder (including any statutory modifications or reenactments made thereof for the time being in force), Mr. Gajjala Vivekanand (**DIN: 02872026**), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

**By order of the Board of Directors**

Manjeera Constructions Ltd

**Narsimha A. Mettu**

Company Secretary

(ACS-54840)

Place : Hyderabad

Date : 12.08.2022

### NOTES

- 1) The statement pursuant to Section 102(1) of the Companies Act, 2013 and the Rules made thereunder in respect of the special business set out in the notice, Secretarial Standard on General Meetings (SS-2), wherever applicable, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) wherever applicable, are annexed hereto.
- 2) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its general circular bearing number 2/2022 dated May 5, 2022 read with circulars dated May 5, 2020, January 13, 2021, December 08, 2021 and December 14, 2021 (collectively referred to as “MCA Circulars”) permitted the holding of the AGM through VC / OAVM, without the physical presence of the members at a common venue. Further, Securities and Exchange Board of India (“SEBI”) vide its Circular dated May 13, 2022 read with circulars dated January 15, 2021 and May 12, 2020 (“SEBI Circulars”) has also granted certain relaxations in line with the above said MCA Circulars. In compliance with the provisions of the Companies Act, 2013 (“the Act”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) and MCA Circulars, the 35<sup>th</sup> AGM of the Company is being held through VC / OAVM on Friday, 30<sup>th</sup> September, 2022 at 10.00 A.M. (IST). The deemed venue for the AGM shall be the Registered Office of the Company.
- 3) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended) and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing facility of remote e-voting to its members in respect of the business to be transacted in the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (‘CDSL’) for facilitating voting through electronic means, as an authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting on the day of the AGM will be provided by CDSL.
- 4) The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 23.09.2022 to Friday, 30.09.2022 (both days inclusive) in connection with the AGM.
- 5) Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and cast their votes through e-voting.
- 6) Since the AGM will be held through VC / OAVM, the route map is not annexed to this notice.
- 7) The members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the notice. The members will be able to view the proceedings on the CDSL’s e-Voting

website at [www.evotingindia.com](http://www.evotingindia.com). The detailed instructions for joining the meeting through VC / OAVM form part of the notes to this notice.

- 8) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 9) In compliance with the aforesaid MCA and SEBI Circulars, notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those members whose email addresses are registered with the Company / Depositories. Members may note that the notice and Annual Report for the Financial Year 2021-22 will also be available on the Company's website <https://www.manjeera.com/investors.html>, website of the Stock Exchange i.e., BSE Limited and on the website of CDSL at [https:// www.evotingindia.com](https://www.evotingindia.com).
- 10) As per Regulation 40 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s. XL Softech Systems Limited for assistance in this regard.
- 11) As per the provisions of Section 124(6) of the Act read with Rule 6 of 'Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amended Rules, 2017 ('the Rules'), all shares, in respect of which dividend has not been paid or claimed for seven consecutive years or more (relevant shares), were transferred by the Company to IEPF along with statement containing such details as directed by Ministry of Corporate Affairs from time to time
- 12) Retirement of Directors by rotation:  
Mr. Gajjala Vivekanand, Director of the Company, retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.  
The Board of Directors recommends the re-appointment of Mr. Gajjala Vivekanand as a Director, liable to retire by rotation.
- 13) The statutory registers including Register of Directors and Key Managerial Personnel and their shareholding, the Register of Contracts or Arrangements in which Directors are interested maintained under the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members who wish to inspect the register are requested to write to the Company by sending an e-mail to [cs@manjeera.com](mailto:cs@manjeera.com) or [secretarial@manjeera.com](mailto:secretarial@manjeera.com)
- 14) Members are requested to intimate the Registrar and Share Transfer Agents i.e., M/s. XL Softech Systems Limited (RTA), Plot No. 3, Sagar Society, Banjara Hills, Hyderabad - 500 034, immediately of any change in their address in respect of equity shares held in physical mode and to their Depository Participants (DPs) in respect of shares held in dematerialized form.
- 15) Pursuant to Section 72 of the Companies Act, 2013, members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in form no. SH-13, to the RTA of the company. Further, members desirous of cancelling/varying nomination pursuant to the Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in form no. SH-14, to the RTA of the company. These forms will be made available on request.
- 16) The Ministry of Corporate Affairs, Government of India has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice /documents including Annual Report can be sent by e-mail to its Members. In line with the Ministry's direction, your Company intends to send all future communication to members by e-mail including Notices, Annual Report etc., to the e-mail address you have already registered with your respective Depository Participants (DPs). In case you are yet to register your e-mail address, please update the same with your DP. Members holding shares in physical form may register their e-mail address either with the Company or with the Registrar & Share Transfer Agent (RTA) of the Company viz. **M/s. XL Softech Systems Limited, Hyderabad**. If the e-mail addresses are already registered with the respective DPs/RTA of the Company by the shareholders, it is requested to ensure that registered e-mail ids are current, operative and all the addressed correspondences are received through it.
- 17) All NRI Members of the Company are hereby requested to get their Indian Postal addresses, e-mail ids and bank details with their NRI/ NRE account nos. registered with their respective DPs/RTA of the Company, so as to facilitate to provide smooth, faster, cost effective and proper service to them by the Company.
- 18) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA.
- 19) All dividend remaining unclaimed/unpaid for a period of seven years from the date it became due for payment, has been transferred to the Investor Education and Protection Fund established by the Central Government.
- 20) Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The e-voting period will commence from 9.00 A.M. (IST) on 27.09.2022 and will end at 5.00 P.M. (IST) on 29.09.2022. During this period, members holding shares either in physical form or in dematerialized form, as on Thursday, September 22, 2022 i.e., cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those members, who will be present in the AGM through VC / OAVM facility and have not cast

their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

The members who have cast their vote by remote e-voting prior to the AGM may also participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder:

Instructions for e-voting and joining the AGM are as follows:

**A. Instructions for Remote E-voting**

1. The remote e-voting period commences on Tuesday, September 27<sup>th</sup>, 2022 (9:00 A.M. IST) and ends on Thursday, September 29, 2022 (5:00 P.M. IST).

**B. Instructions for Members for Attending the AGM through VC / OAVM are as under:**

- a. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by CDSL at [https:// www.evotingindia.com](https://www.evotingindia.com) by using their remote e-voting login credentials and selecting the EVEN for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and password may retrieve the same by following the remote e-voting instructions mentioned in the notice. Further members can also use the OTP based login for logging into the e-voting system of CDSL.
- b. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for members on first come first served basis.
- c. Members may join the meeting through Laptops, Smartphones, Tablets and iPads for better experience. Further, members will be required to use Internet with a good speed to avoid any disturbance during the meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from mobile devices or Tablets or through Laptops connecting via mobile hotspot may experience audio / video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
- d. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the 35<sup>th</sup> AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number / folio number and mobile number, to reach the Company's e-mail address at [investors@manjeera.com](mailto:investors@manjeera.com) before 3:00 p.m. (IST) on September 26, 2022. Such questions by the members shall be suitably replied by the Company
- e. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID / folio number, PAN, mobile number at [investors@manjeera.com](mailto:investors@manjeera.com) from September 22, 2022 (9:00 a.m. (IST)) to September 26, 2022 (3:00 p.m. (IST)). Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- f. **Login method for remote e-Voting and e-Voting during the AGM for Individual Shareholders holding securities in demat mode.**

| Type of Shareholders   | Login Method   |
|--|--|
| Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b> | <ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> </ol> |

| Type of Shareholders   | Login Method   |
|--|--|
|  | 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.  |
| Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>                               | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p> |
| Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b> | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.   |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login Type  | Helpdesk Details   |
|---|--|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33 |
| Individual Shareholders holding securities in Demat mode with <b>NSDL</b> | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30         |

#### PROCEDURE FOR E-VOTING

Share holders who wish to opt for e-voting can cast their vote by logging on to the CDSL website: <https://www.evotingindia.com> and follow the procedure to login to e-voting website as given below by CDSL for the information of the members:

Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

- (i) Click on “Shareholders” tab.
- (ii) Now Enter your User ID –
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (iii) Next enter the Image Verification as displayed and Click on Login.
- (iv) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (v) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form |   |
|--|---|
| PAN  | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul> |
| Dividend Bank Details<br>OR Date of Birth (DOB)            | Enter the Dividend Bank Details OR Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member ID/folio number in the Dividend Bank details field.</li> </ul>                   |

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the relevant EVSN for the Manjeera Constructions Ltd on which you choose to vote.
- (x) On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xv) If Demat account holder has forgotten the changed password then, Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the Scrutinizer to verify the same.
- (xvii) The voting period begins on 27.09.2022 at 9.00 A.M. (IST) and ends on 29.09.2022 at 5.00.P.M. (IST) During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the 22.09.2022, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (xviii) Since the Company is required to provide members facility to cast their vote by electronic means, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 22.09.2022 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- (xix) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on record date of 22.09.2022 for e-voting purpose.
- (xx) Mr. P. Surya Prakash, Company Secretary in whole time practice (Membership No F9072 & Certificate of Practice No. 11142) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxi) The Scrutinizer shall
  - (a) Immediately after the conclusion of voting at general meeting, first count the votes

- (b) Unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company.
  - (c) Not later than three days of conclusion of the meeting, make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing who should countersign the same.
- (xxii) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.manjeera.com](http://www.manjeera.com) and on the website of CDSL immediately after the result is declared by the chairman. Simultaneously forward the results to the concerned stock exchange and the stock exchange should place the results on its website.
- (xxiii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**By order of the Board of Directors**  
Manjeera Constructions Ltd  
**Narsimha A. Mettu**  
Company Secretary  
(ACS-54840)

Place :Hyderabad  
Date :12.08.2022

## DIRECTORS' REPORT

To  
The Members  
M/s. Manjeera Constructions Ltd  
#711, Manjeera Trinity Corporate,  
JNTU- Hitech City Road,  
Kukatpally, Hyderabad-500072

Your Directors have pleasure in presenting the 35<sup>th</sup> Annual Report of your Company along with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2022.

### Financial Highlights

During the year under review, performance of the Company on standalone and consolidated basis is as under:

(Rupees in Lakhs)

| Particulars   | Standalone     |                 | Consolidated     |                  |
|---|----------------|-----------------|------------------|------------------|
|   | FY 2021-22     | FY 2020-21      | FY 2021-22       | FY 2020-21       |
| Revenue from operations                             | 4033.12        | 3132.25         | 9804.16          | 6354.65          |
| Other Income  | 1097.86        | 703.17          | 559.79           | 183.91           |
| <b>Total Income</b>                                 | <b>5130.98</b> | <b>3835.42</b>  | <b>10363.95</b>  | <b>6538.56</b>   |
| Less: Total Expenditure                             | 3669.05        | 2947.84         | 8717.50          | 5541.64          |
| <b>Profit before Interest, Depreciation and tax</b> | <b>1461.93</b> | <b>887.58</b>   | <b>1646.45</b>   | <b>996.93</b>    |
| Less: Interest and Financial Expenses               | 1364.01        | 1779.91         | 5255.73          | 5599.11          |
| Less: Depreciation                                  | 41.29          | 31.87           | 602.55           | 608.84           |
| Profit Before share of profit in Associates         | 56.64          | (924.20)        | (4211.82)        | (5211.02)        |
| Share of Profit in Associates                       | -              | -               | -                | -                |
| <b>Profit Before Tax</b>                            | <b>56.64</b>   | <b>(924.20)</b> | <b>(4211.82)</b> | <b>(5211.02)</b> |
| Tax Expense   |                |                 |                  |                  |
| Current Tax   | -              | -               | -                | 45.71            |
| Tax for Previous Year                               | 36.97          | -               | 75.85            | -                |
| Deferred Tax  | (45.76)        | (160.26)        | (46.00)          | (160.26)         |
| <b>Net Profit/(loss) after Tax</b>                  | <b>65.44</b>   | <b>(763.94)</b> | <b>(4241.67)</b> | <b>(5096.48)</b> |
| Proposed Dividend/Dividend paid                     | -              | -               | -                | -                |
| Tax on Dividend paid                                | -              | -               | -                | -                |
| Other Equity  | 8366.35        | 8300.70         | (6760.55)        | (2520.78)        |
| Paid Up Equity share Capital                        | 1,250.84       | 1,250.84        | 1250.84          | 1250.84          |

### Operational Performance Review

- Revenue from operations on a standalone basis increased to Rs. 4033.12 Lakhs as against Rs. 3132.25 Lakhs in the previous year - an increase of 28.76%.
- Cost of goods sold as a percentage to revenue from operation decreased by 14% as against 14% increase in the previous year.
- Employee cost as percentage to revenue from operations decreased to 3.85% (Rs.155.15lakhs) as against 5.27% (Rs.165.05 Lakhs) in the previous year.
- The Profit/(Loss) after Tax for the current year is Rs.65.44 Lakhs as against (Rs.763.94) Lakhs in the previous year.
- On a consolidated basis, the Company, its subsidiaries and associate Companies, achieved operating revenue of Rs. 9804.16Lakhs as against Rs. 6354.65Lakhs.

The operations of the Company during the first two quarters of the Financial Year 2021-22 were severely impacted due to the second wave of COVID-19 Pandemic. The outbreak of Corona virus (COVID-19) pandemic globally and in India has been causing significant disturbance and slowdown of economic activity. There were many restrictions to prevent community spread of second wave COVID-19 in India resulting in significant reduction in economic activities. While the economy was on a revival path, the fear of the pandemic's third wave and the emergence of the geopolitical crisis due to the intensified Russia - Ukraine conflict put the global economy back into a volatile condition towards the end of the year.

Even today, the continuing disruption caused by COVID coupled with the rebound in the global activity and higher food-energy prices is significantly impacting business operations of the companies, by affecting the production, supply chain, availability of personnel, functioning of production facilities, etc. Your Company has taken necessary measures to contain the spread of virus in the project sites and in the various



offices from where the employees are functioning. Also, the Company is in a constant path towards the recovery as works have started in a full-fledged manner in various project sites.

### **Events Subsequent to the Date of Financial Statement**

As per the requirement of Section 134 (3) (l) of the Companies Act, 2013, we hereby intimate that your Company has no significant material changes and commitments affecting the financial position of the Company between 31<sup>st</sup> March, 2022 and the date of the Board's Report.

### **Economic and Business Review**

The COVID crisis, which had impacted lives and livelihood across the country and threw the economy into distress, continued to wreak havoc in 2021-22. The year saw the emergence of the delta variant of COVID which left behind a trail of destruction and deaths. While the situation improved by second quarter, the emergence of the Omicron variant towards the end of December once again threw a spanner in the economy leading to fresh mobility restrictions and slow-down in economic activity.

The year 2021-22 was also characterised by high inflation, at levels which had not been seen before. This was further aggravated by the Russia-Ukraine crisis which began in February 2022 leading to sharp increase in commodity and oil prices.

The new variants of COVID and inflation impacted India to a greater extent. GDP growth which had gone in to negative territory in 2021-22 recovered at a slower than expected rate. According to economic survey, India's GDP is projected to grow by 8-8.5% in real terms in fiscal 2022-23.

### **Economic Outlook**

The first half of the Financial Year 2021-22 saw a strong rebound in the economic activity following the disruption caused by the devastating second wave of the COVID-19 pandemic. The economic recovery was aided by rapid COVID-19 vaccination, reopening of the domestic economy, liberal monetary policy and the expansionary fiscal policy.

India's real GDP growth stood at 20.01 percent during the first quarter of the fiscal and 8.4 percent in the second quarter.

Overall, the domestic production registered in the first quarter was below pre-pandemic levels and registered a decline of 16.8 percent over the previous quarter due to the second wave of the pandemic. However, steady growth in the agricultural sector and broad recovery in industrial output helped the national headline output register a marginal expansion of 0.3% over pre-pandemic levels in Q2 of FY21-22. In addition, increased government expenditure and a strong capital outlay to improve investment activity supported the recovery in economic activity. The liquidity position also remained low due to large-scale Open Market Operations by RBI.

It is predicted that the domestic economic activity is set to register an expansion of 9.2 percent, according to the first advanced estimates released by the office for National Statistics.

The agricultural sector is expected to register a growth of 3.9 percent in production, subject to good monsoon weather and increase in area under cultivation. Other sectors including manufacturing, mining and construction are also expected to register double digit growth. However, the service sector is expected to report a slower rebound, which could negatively impact overall domestic growth.

### **State of Company's Affairs**

The year under review has seen improvement in turnover / business activity though the impact of second wave of COVID 19 Pandemic was felt through the first and second quarters of the Financial Year. The 2<sup>nd</sup> wave of COVID followed by the Russia-Ukraine crises have set in casting a spell on the economic activity revival. The impact is more conspicuous in construction / real estate sector – particularly commercial real estate space. However, your company could show an improved performance during 2021-22 compared to 2020-21.

With the things starting to see normalcy from the effects of Pandemic, now Your Company has started to pursue the Project at Ongole (Villas / Apartments) with few positive signals / trends in the project area.

The Company has obtained all required approvals from the concerned authorities to develop apartment complexes by name "Newyork" at "Allasandra" near Yalahanka in Bangalore City on development basis. The project involves development of 5.61 Lakh SFT of total area tentatively (including the land owners share). The preliminary works have started and NOCs from various departments received. Approval from Local Municipal Corporation is received. Detailed Design Coordination for Architectural and structural engineering is in progress. Approvals from RERA have been received.

The work on the project called "Lake City" at Hafeezpet, Hyderabad, through its associate (Vasavi Realtors LLP) has been progressing and it is expected to achieve faster pace during the year. The project involves development of residential apartments for a total area of about 30 Lakhs SFT.

The Company has also been successful in acquiring a piece of land admeasuring 2.92 Acres in Khanamet, Near Hitech City and in Ameenpur through online auction conducted by Telangana State Government. The acquisition is meant for a residential complex to be developed and it is being pursued for completing the formalities related to land acquisition and to take up all the works connected with the approvals and planning for the project.

### **Change in Nature of Business**

During the period under review, there has been no change in the nature of business of the Company.

### **Material changes if any affecting the financial position of the Company**

There was no material change or commitment affecting the financial position of the Company.

### **Dividend**

In view of the difficulties faced due to the COVID-19 Pandemic and the slow recovery of the construction sector, the Board of Directors have not recommended any Dividend for the Financial Year 2021-22.

### **Dividend Distribution Policy**

The Dividend Distribution policy as stipulated under Regulation 43A of the Listing Regulations is not required to be disclosed in the annual report and on the website of the Company as the provisions of the said regulation are not applicable to your Company.

### **Amounts Transferred to Reserves**

No amount is proposed to be carried to General reserves and an amount of Rs. 65.65 Lakhs (including other comprehensive income) is transferred to the Statement of Profit and Loss of Standalone Financials.

### **Listing of Equity Shares**

The securities of the Company are listed at BSE Limited (BSE). Further, the Company has no equity shares carrying differential rights.

### **Share Capital**

The paid up Equity Share Capital of the Company as on 31<sup>st</sup> March, 2022 is Rs. 1250.84 Lakhs. During the year, the Company has neither issued shares with differential voting rights nor granted stock option or sweat equity.

### **Number of Board Meetings**

Regular meetings of the Board were held to review the performance of the Company, to discuss and decide on various business strategies, policies and other issues.

During the Financial Year 2021-22, 5 meetings of the Board of Directors of the Company were held on 09.06.2021, 30.06.2021, 14.08.2021, 13.11.2021 and 14.02.2022. The intervening gap between two consecutive meetings was not more than 120 days. Detailed information on the meetings of the Board is included in the Corporate Governance Report which forms part of the Annual Report.

### **Committees of the Board**

Currently the Board has four committees: The Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

The composition of the Committees in compliance with the applicable provisions of the Act and Rules is as given below:

#### **Audit Committee**

The Audit Committee comprises of four Directors

Mr. DLS Sreshti

Mr. K Krishna Murty

Ms. G Veena

Mr. Sudhakar Gande

The Audit Committee of the Board of Directors was constituted in conformity with the requirements of Section 177 of the Act and regulation 18 of the Listing Regulations and its role has been the same as stipulated in the Act and the Regulations mentioned above. All recommendations made by the Audit Committee during the year were accepted by the Board.

#### **Nomination & Remuneration Committee**

The Nomination & Remuneration Committee comprises of three Directors:

Mr. DLS Sreshti

Mr. K. Krishna Murty

Ms. G Veena

The Nomination and Remuneration Committee of the Board of Directors was constituted in conformity with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations and its role has been the same as stipulated in the Act and the Regulations mentioned above.

#### **Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee comprises of three Directors:

Mr. K. Krishna Murty  
Mr. DLS Sreshti  
Ms. G Veena

The Stakeholders Relationship Committee of the Board of Directors was constituted in conformity with the requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations and its role has been the same as stipulated in the Act and the Regulations mentioned above.

#### **Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee comprises of three Directors:

Mr. K Krishna Murty  
Mr. DLS Sreshti  
Mr. G Yoganand

The Corporate Social Responsibility Committee of the Board of Directors was constituted in conformity with the requirements of Section 135 of the Act. The Committee monitored the implementation of the CSR Policy from time to time.

A detailed note on the Board and its Committees is provided in the Corporate Governance Report.

#### **Public Deposits**

As per the provisions of Section 73 of the Companies Act, 2013 read along with Companies (Acceptance of Deposits) Rules, 2014,

- a) the Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 and as such, no amount of principal or interest was outstanding as on March 31, 2022.
- b) the Company does not have any unclaimed or unpaid deposits at the end of the year under review or any other previous year.

#### **Directors and Key Managerial Personnel**

##### **Directors**

The composition of Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors with one Woman Director.

##### **Independent and Non-Executive Directors**

As prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Section 149(6) of the Companies Act, 2013, the particulars of Independent Non-Executive Directors are as under:

Mr. K Krishna Murthy, Mr. D L S Sreshti and Mr. Sudhakar Gande

##### **Changes in Directors**

- a. During the year under review, there was no change in the Composition of Board of Directors of the Company.
- b. Mr. Gajjala Yoganand being the Director serving on the Board the longest, retired by rotation and being eligible offered himself for re-appointment. He was reappointed as a Director eligible to retire by rotation.

**Changes in Key Managerial Personnel (KMP):** During the year under review,

- Mr. Gajjala Yoganand, Managing Director is continuing as the KMP of the Company.
- Mr. Krishna Gokeda was appointed as CFO of the Company w.e.f 09.06.2021 and resigned from the office on 21.05.2022.
- Mr. CH N V Rambabu resigned from the post of Company Secretary on 02.08.2022
- Mr. Narsimha A. Mettu was appointed as the Company Secretary w.e.f 12.08.2022
- Mr. Sudhir Kilaru was appointed as the CFO of the Company w.e.f 12.08.2022

#### **Performance Evaluation of the Board**

Pursuant to the provisions of the Act and the listing regulations, the Board has carried out annual performance evaluation of its own, the individual Directors as well as the Committees (Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee). A structured set of criteria was adopted after taking into consideration the inputs

received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. Evaluation of the Board members is conducted on an annual basis by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and individual Directors.

The Nomination and Remuneration Committee had specified criteria for performance evaluation of Directors, Committees and Board as a whole and recommended the same to the Board for evaluation.

#### **Performance indicators for evaluation of Independent Directors**

Independent Directors have three key roles – governance, control and guidance. Some of the performance indicators based on which the Independent Directors are evaluated are:

- Ability to contribute to and monitor corporate governance practices.
- Ability to contribute by introducing international best practices to address top management issues.
- Active participation in long term strategic planning.
- Commitment to the fulfilment of a Director's obligations and fiduciary responsibilities.

Attendance: The performance evaluation of Independent or Non-Executive Directors is done by the Board annually based on criteria of attendance and contributions at Board / Committee Meetings as also the role played other than at meetings.

The evaluation process also considers the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

#### **Policy on Directors' Appointment, Remuneration & Other Details**

The Company adopted a policy relating to the remuneration. This Policy covers the remuneration and other terms of employment for the Company's Executive Team. This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive / non-executive) and also the criteria for determining the remuneration of the directors, key managerial personnel and senior management of the Company. The remuneration policy for members of the Board and for management, aims at improving the performance and enhancing the value of the Company by motivating and retaining them and to attract the right persons to the right jobs in the Company. The object of this Remuneration Policy is to make your Company a desirable workplace for competent employees and thereby secure competitiveness, future development and acceptable profitability. In order to achieve this, it is imperative that the Company is in a position to offer competitive remuneration in all its operational locations.

A detailed policy on remuneration of the Directors and Senior Management is placed on the Company's website under the web link: <https://www.manjeera.com>.

#### **Policy for Selection of Directors and Determining Directors' Independence**

The Nomination and Remuneration Committee identifies persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board for their appointment and removal.

#### **The Criteria for the Appointment of Directors, KMPs and Senior Management**

A person for appointment as Director, KMP or in senior management should possess adequate qualifications, expertise and experience. The Nomination and Remuneration Committee decides whether qualification, expertise and experience possessed by a person are sufficient for the concerned position. The NRC reviews and evaluates the profiles of potential candidates for appointment of Directors. Specific requirements for the position, including expert knowledge expected, are communicated to the appointee and after proper evaluation recommends to the Board, his / her appointment.

The Committee, while identifying suitable persons for appointment to the Board, will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

The Nomination and Remuneration Committee shall assess the independence of Directors at the time of appointment, re-appointment and the Board shall assess the same annually. The Board shall re-assess determination of independence when any new interests or relationships are disclosed by a Director.

The criteria of independence are as prescribed in the Act and the listing regulations and the Independent Directors shall abide by the Code specified for them in Schedule IV of the Act.

#### **Receipt of any commission by MD/WTD from Company or receipt of commission/remuneration from its holding or subsidiary.**

Details of Remuneration/commission received by MD/WTD from Company, its Holding/Subsidiary companies is provided in the extract of Annual Return placed on the website of the Company.

#### **Declaration by Independent Directors**

Mr. K. Krishna Murty, Mr. DLS Sreshti and Mr. Sudhakar Gande are the Independent Directors on the Board of the Company.

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Section 149 of the Companies Act, 2013 and SEBI Listing Regulations with the Stock Exchange and that they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and the Company's Code of Conduct.

### Director's Responsibility Statement

The Directors of the Company confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- they selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period;
- they took proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they prepared the annual accounts on a going concern basis;
- they laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- they devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Extract of Annual Return

As required under the provisions of Section 134(3) and of section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return for the FY 2021-22 is placed on the website of the Company i.e. [www.manjeera.com](http://www.manjeera.com).

### Statutory Auditors

In compliance with the Companies (Audit and Auditors) Rules, 2014, M/s. M. BhaskaraRao&Co., Chartered Accountants, has been appointed as Statutory Auditors of the Company by the members at their 33<sup>rd</sup> Annual General Meeting held on 19<sup>th</sup> December, 2020 to hold office from the conclusion of 33<sup>rd</sup> Annual General Meeting (AGM) till the conclusion of 38<sup>th</sup> Annual General Meeting ('AGM') of the Company to be held for the Financial Year 2024-25.

The Auditor's Report for Standalone Financial Statements for the Financial Year 2021-22 does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the financial statements in this Annual Report.

The Notes on Accounts referred to in the Auditors Report are self-explanatory and therefore do not require any further comments.

The Standalone Financial Statements doesn't contain any qualification, but the auditors of the Subsidiary Company "Manjeera Retail Holdings Private Limited" have expressed following Qualified Opinion, Disclaimer of Opinion and Emphasis of Matter which are reflected in the consolidated financial statements:

| Observation  | Management Views   |
|--|--|
| <p><b>Basis for Qualified Opinion</b><br/>As detailed in note 2.i in the accompanying consolidated financial results, inventory of properties under development at March 31, 2021 include interest cost on the borrowings capitalized in the earlier years – Rs. 3,055.98 Lakhs (Upto March 31, 2020 – Rs. 3,149.78 Lakhs), which in their opinion, is not in accordance with the requirements of Indian Accounting Standards (Ind AS) 23 "Borrowing Cost". Had the Company followed the accounting principles as laid down under Ind AS 23, the balance of inventories and Other Equity as at March 31, 2021 would have been lower by Rs. 3,055.98 Lakhs (March 31, 2020: Rs. 3,149.78 Lakhs). Our Audit Report for previous year was also Qualified in respect of this matter.</p> | <p>The project being executed by the subsidiary is still under progress of construction and capable of having a cash flows including the interest capitalized. Hence in the opinion of the management, capitalization is in accordance with the Ind AS 23 "Borrowing Cost". As a result, it does not require any adjustment to the financial statements.</p>   |
| <p><b>Emphasis of Matter</b><br/>We draw attention to Note: 2 of the Statement which describes the uncertainties and the management's assessment of the financial impact due to lock down and other restrictions and conditions related to COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent on future economic developments and circumstances as they evolve.</p> <p>Our opinion is not modified in this matter.</p>  | <p>The Company made a detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, investment properties, inventory, receivables, other financial and non financial assets etc. Based on current indication of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of COVID-19 which may be different from that estimated as at the date of approval of these financial statements.</p> |

The Auditors have not reported any offence involving fraud committed against the Company by the officers or employees of the Company under sub section (12) of Section 143 to Board.

The Statutory Audit Report for the Financial Year 2021-22 forms part of the Annual Report.

### **Cost Auditor**

Your Company does not qualify for the eligibility norms of Companies (Cost Records and Audit) Rules, 2014 regarding appointment of Cost Auditor for conducting cost audit. Accordingly, Cost Audit was not conducted for the Financial Year 2021-22. However, the Company is maintaining adequate cost records as stated under the said rules.

### **Secretarial Audit Report**

During the year under review, the Company has complied with the provisions of Regulation 24A of the Listing Regulations.

In terms of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board of Directors of your Company at its meeting held on 14<sup>th</sup> August 2021 has appointed R & A Associates as Secretarial Auditor to undertake the Secretarial Audit of the Company to conduct the Secretarial Audit for the Financial Year 2021-22.

The Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2022 is annexed herewith as **Annexure I** to this report.

### **Particulars of Loan, Guarantees and Investments and Securities**

The details of loans given, guarantees provided and investments made during the Financial Year ended on March 31, 2022 are enclosed in **Annexure II** to this Report in compliance with the provisions of Section 186 of the Act read with the Companies (Meetings of the Board and its Powers) Rules, 2014.

The particulars of aggregate loans, guarantees and investments under Section 186 of the Act are also disclosed in Financial Statements which may be read as part of this Report.

### **Particulars of Contracts/Arrangements with Related Parties**

During the Financial Year 2021-22, your Company has entered into transactions with related parties as defined under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, all of which were in ordinary course of Business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013, read with the Rules issued thereunder and the Listing Regulations. Further, there were no transactions with related parties which qualify as material transactions under the Listing Regulations.

The details of the related party transactions as per Accounting Standard 18 are set out in Note 36 to the Standalone Financial Statements forming part of this report.

The particulars of contracts/arrangements made with related parties as required under Section 134(3)(h) and 188 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set as **Annexure III**.

### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo**

As the Company is not engaged in the manufacturing activity and at present it carries out the construction activities only, the prescribed information regarding compliance of rules relating to conservation of Energy & Technology absorption pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is not provided as the same is not applicable to the Company.

The Company does not have any Foreign Exchange Earnings & Outgo during the Financial Year and hence provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3)(c) of the Companies (Accounts) Rules, 2014 regarding disclosure of Foreign Exchange Earnings & Outgo is not applicable.

### **Compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has signed uniform listing agreement with BSE Limited and framed the following policies which are available on Company's website i.e. [www.manjeera.com](http://www.manjeera.com)

- Code of Conduct for the Board of Directors and Senior Management
- Code of Conduct Insider Trading
- Corporate Social Responsibility Policy
- Policy on Disclosure of Material Events

- Policy on Preservation of Documents
- Vigil Mechanism-Whistle Blower Policy
- Nomination and Remuneration Committee Policy
- Policy on Sexual Harassment of Employees
- Policy on Material Subsidiary
- Related Party Policy
- Risk Management Policy

### **Details of Subsidiary, Joint Venture or Associates**

Manjeera Retail Holdings Private Limited (MRHPL) is a wholly owned subsidiary of Manjeera Constructions Ltd. (MCL). The Company has inherent skills and resources and has developed Manjeera Mall, Manjeera Trinity Corporate, 18 storied office building, Manjeera Majestic Commercial, Manjeera Majestic Homes, a residential building with 255 apartments by using innovative technology through value engineering.

MTM Estates and Properties Private Limited was a wholly owned subsidiary of MCL. The Company had not taken up any business activity and it was felt desirable that this Company be struck off from the rolls of Registrar of Companies and an application was made to ROC accordingly. The Notice of Strike off of the name of the Company was received on 01-12-2021.

GM Infra Ventures Private Limited, a wholly owned subsidiary company developed an A+ Office building, "THE PLATINA" is certified as Gold rated by Indian green Building council for core and shell at Gachibowli.

Other details of Subsidiary companies & Associates are attached as **Annexure IV** in Form AOC-1 to the Board's Report.

### **Insurance**

All the properties of the Company including buildings, plant and machinery and stocks have been adequately insured.

### **Significant and Material Orders Passed by the Courts/ Regulators**

During financial year 2021-22, there were no significant and / or material orders, passed by any Court or Regulator or Tribunal, which may impact the going concern status or the Company's operations in future.

### **Internal Financial Control System**

The Companies Act, 2013 has mandated the Company to have a formal framework of Internal Finance Controls and has also laid down specific responsibilities on the Board, Audit Committee, Independent Directors and Statutory Auditors with regard to Internal Finance Controls.

The Company is well equipped with adequate internal financial controls. The Company has a continuous monitoring mechanism which enables the organization to maintain the same standard of the control systems and in managing any default on timely basis because of strong reporting mechanisms followed by the Company.

The Statutory Auditors of the Company has audited the Internal Financial Controls over Financial Reporting and their Audit Report is annexed as Annexure – B to the Independent Auditor's Report under Standalone Financial Statements.

### **Transfer of Amounts to Investor Education and Protection Fund**

All amounts lying unclaimed in the dividend account has already been transferred to Investor Education and Protection Fund.

### **Disclosure on Establishment of Vigil Mechanism**

The Company established a vigil mechanism for Directors and employees to report genuine concerns pursuant to Section 177 of the Act. The vigil mechanism provides for adequate safeguards against victimisation of employees who use such mechanism and for direct access to the chairperson of the Audit Committee inappropriate or exceptional cases.

The policy lays down the mechanism for making enquiry into whistle blower complaint received by the Company. Employees who may become aware of any alleged wrongful conduct are encouraged to make a disclosure to the Audit Committee.

The details of such mechanism are communicated to all the Directors and employees and the same is also disclosed on the website of the Company at [www.manjeera.com](http://www.manjeera.com).

### **Corporate Social Responsibility (CSR) policy**

The Company has constituted Corporate Social Responsibility Committee (CSR) of the Board of Directors in accordance with the provisions of

Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, and formulated a Corporate Social Responsibility Policy. However, as our Company ceases to be a company covered under subsection (1) of Section 135 of the Act for three consecutive financial years the composition of CSR Committee and requirements for complying with the provisions contained in subsection (2) to (6) of the said section is not applicable to the Company/ not required by the Company.

The Company continues to have a Corporate Social Responsibility Committee. However, conducting the meeting isn't mandatory anymore as the requirement for spending on Social activities is not applicable to the Company due to inadequate profit/losses in the previous 3 years i.e the company does not have net profit of rupees five core or more.

### Particulars of Employees

Table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure V** to this Report.

During the year none of the employees have received monthly or yearly remuneration more than the limit specified under the Section 197(12) of the Companies Act,2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### Employee Relations

During the year under review, your Company enjoyed cordial relationship with employees at all levels.

### Management Discussion and Analysis Report

The Management Discussion and Analysis as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 should form an integral part of this Boards Report. The same has been appended as **Annexure VI** to the Report which gives details of the overall industry structure, economic developments, performance and state of affairs of your Company.

### Disclosures under Regulation 34(3) read with Schedule V of the Listing Regulations

(₹ in Lakhs)

| S. No. | In the accounts of                               | Particulars   | Amounts at the year ended 2021-22 | Maximum amount of loans / advances / investments outstanding during the year 2021-22 |
|--------|--|---|-----------------------------------|--|
| 1.     | Manjeera Constructions Limited (Holding Company) | Loan Given to: Manjeera Retail Holdings Private Limited (Wholly Owned Subsidiary Company) | 6436.36                           | 6436.36  |

### Report on Corporate Governance

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, a separate report on Corporate Governance together with a certificate from the Company's Auditors confirming the compliance of conditions of Corporate Governance is attached as **Annexure VII** to this report.

### Risk Management Policy

The Company has a risk management policy in place. The policy works at various levels of the organization. Risk management process has been established and is designed to identify the elements of risk including those that may threaten the existence of the Company. Policy on Risk Management is available on the Company's website at the web link [www.manjeera.com](http://www.manjeera.com).

Over this past year, we were focused to ensure the safety and wellbeing of our employees due to the ongoing COVID-19 pandemic. All our sites were operational during the year following the safety guidelines set by the Government. Your Company is pro-actively putting in place the required efforts to ensure safety and continuity of the business, both at the unit as well as at the corporate level.

### Green initiative in Corporate Governance by Hon'ble Ministry of Corporate Affairs

The Ministry of Corporate Affairs (MCA) has taken a green initiative in Corporate Governance by allowing paperless compliances by the Companies and permitted the service of Annual Reports and documents to the shareholders through electronic mode subject to certain conditions and the Company continues to send Annual Reports and other communications in electronic mode to the members having email ids.

### Disclosures under Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013

Your Company believes in providing a safe and harassment free workplace for every individual working in Manjeera Constructions Limited's



premises through various interventions and practices. The Company endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

In this light, the Company has framed a well-defined policy on Prevention of Sexual Harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behaviour.

During the year under review, there were no reported instances of cases filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, which operates under a defined redressal system for complaints pertaining to sexual harassment of women at the workplace.

The Internal Complaints Committee is consisting of following members:

Gajjala Veena (Chairman)

K Sujatha

M V N Ramanjaneyulu

SV Chiranjeevi

Ashwini M

### **Compliance with Secretarial Standards on Board and Annual General Meetings**

During the year under review, the Company has complied with secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

### **Event Based Disclosure**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/events on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including Sweat Equity Shares), to employees of the Company under any Scheme including ESOS.
3. Significant & material orders passed by the regulators or courts or tribunal.
4. Significant orders passed by the authorities which impact the going concern status and Company's operations in future.

### **Acknowledgement**

Your Directors would like to express their sincere appreciation and gratitude for the support and co-operation received from the Central and State Governments, Greater Hyderabad Municipal Corporation, Stock Exchanges, Ministry of Corporate Affairs, Shareholders, Bankers, Financial Institutions, Customers, Suppliers, Contractors and other Associates for their continued support to the Company.

The Company enjoyed very cordial and fruitful relations with the employees during the year under review and the Management wishes to place on record its sincere appreciation of the efforts put in by the Company's executives, staff and workers for achieving reasonable results under demanding circumstances.

For and on behalf of the Board of Directors of  
**M/s. Manjeera Constructions Limited**

Place : Hyderabad  
Date : 12.08.2022

**G. Yoganand**  
Managing Director  
(DIN 00850735)

**K. Krishna Murty**  
Director  
(DIN 01466390)

## ANNEXURE-I

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To

The Members

**Manjeera Constructions Ltd.**

#711, Manjeera Trinity Corporate,

JNTU-Hitech City Road

Kukatpally, Hyderabad – 500072.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Manjeera Constructions Ltd. (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; *(Not applicable to the Company during the Audit Period)*;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; *(Not applicable to the Company during the Audit Period)*;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(Not applicable to the Company during the Audit Period)*;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(Not applicable to the Company during the Audit Period)*;
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *(Not applicable to the Company during the Audit Period)* and
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that, based on the information provided and the representation made by the Company, in our opinion, it has complied with the applicable provisions of the Real Estate (Regulation and Development) Act, 2016 to the extent applicable during the Audit Period under review.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

## We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at board meetings and committee meetings were carried out unanimously as recorded in the minutes of the meetings of the board of directors or committees of the board, as the case may be.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the Audit Period the Company has no specific events/actions having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines and standards, etc.

This report is to be read with our letter of even date which is annexed as Annexure – A and forms an integral part of this report.

For R & A Associates  
**(G Raghu Babu)**  
Partner  
FCS. No.# 4448, C.P. # 2820  
UDIN: F004448D000786845

Place : Hyderabad  
Date : 12<sup>th</sup> August, 2022

## Annexure-A

To  
The Members  
**Manjeera Constructions Ltd.**  
#711, Manjeera Trinity Corporate,  
JNTU-Hitech City Road  
Kukatpally, Hyderabad – 500072.

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of Manjeera Constructions Ltd, ("**the Company**"). Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. With regards to various submission(s) of information / document and compliance thereof made by the Company with the stock exchanges, the reporting of compliance was made based upon the information / documents available.

For R & A Associates  
**(G Raghu Babu)**  
Partner  
FCSNo.# 4448, C.P. # 2820  
UDIN: F004448D000786845

Place : Hyderabad  
Date : 12<sup>th</sup> August, 2022

## ANNEXURE-II

Particulars of Loans, Guarantees or Investments during the FY 2021-22 under Section 186 of the Companies Act, 2013

| Nature of Transaction<br>(Whether Loan / Guarantee / Security / Acquisition) | Purpose   | Date of Making Loan / Acquisition / Giving Guarantee / Providing Security | Name and Address of the Person or Body Corporate to Whom It is Made or Given or Whose Securities Have Been Acquired (Listed/Unlisted Entities) | Amount of Loan / Security / Acquisition / Guarantee / ₹ in Lakhs | Time Period for Which It is Made / Given | Date of passing of Board Resolution | For Loans<br>Rate of Interest<br>Date of Maturity |
|--|---|---|--|--|--|-------------------------------------|---|
| Loans Given  | For making investments in ongoing projects taken up by subsidiaries | 31-03-2022  | Manjeera Retail Holdings Pvt Ltd,<br>Address: #711, Manjeera Trinity Corporate, JNTU Hitech City Road, Kukatpally, Hyderabad-500072            | 2462.90  | -  | NA                                  | Rate of Interest: 15%, Date of Maturity: NIL      |

## ANNEXURE-III

### FORM NO. AOC -2

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.)*

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transactions entered into during the year ended March, 31,2022, which were not on Arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis during the year.

| S. No. | Name(s) of the Related Party & Nature of Relationship  | Nature of Contracts/ Arrangements/ Transaction | Duration of the Contracts/ Arrangements/ Transaction | Salient Terms of the Contracts or Arrangements or Transaction Including the Value, If Any  | Amount Paid as Advances During the Year, If Any (Rs. in Lakhs) |
|--------|--|--|--|--|--|
| 1      | Manjeera Hospitality Rajahmundry Private Limited - Entity under significant influence of KMP | Civil Contract work                            | 24 Months  | Contract Value is Rs. 90.74 Crores.  | Rs. 876.24 Lac (Net received by the company)                   |
| 2      | M/s. Sree Varamahalakshmi Constructions LLP-Entity under significant influence of KMP        | Civil Contract work                            | 5 Years  | Development Agreement cum General POA executed on 14/03/2018 entitling the developer to 75% of Villas in the villa Area as per the scheduled terms | -  |
| 3      | Manjeera Projects-Entity under significant influence of KMP                                  | Civil Contract Work                            | 24 Months  | Contract Value is Rs. 22.80 Crores.  | -  |

For and on behalf of the Board of Directors of  
**M/s. Manjeera Constructions Limited**

**G. Yoganand**  
Chairman & Managing Director  
(DIN 00850735)

**K. Krishna Murty**  
Director  
(DIN 01466390)

Date : Hyderabad  
Place : 12-08-2022

## ANNEXURE-IV

### FORM AOC - 1 PART- A: SUBSIDIARIES INFORMATION

( in Rs.)

| S. No. | Particulars   | Details                                  |                                   |
|--------|---|--|-----------------------------------|
| 1      | Name of Subsidiary  | Manjeera Retail Holdings Private Limited | GM Infra Ventures Private Limited |
| 2      | The date since when subsidiary was acquired   | 23-02-2007                               | 31-03-2018                        |
| 3      | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | NA                                       | NA                                |
| 4      | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA                                       | NA                                |
| 5      | Share capital   | 88,23,52,940                             | 2,85,00,000                       |
| 6      | Reserves & Surplus  | (1,55,09,59,729)                         | 4,50,84,289                       |
| 7      | Total Assets  | 2,78,17,39,891                           | 19,00,00,037                      |
| 8      | Total Liabilities   | 3,45,03,46,680                           | 11,64,15,748                      |
| 9      | Investments   | 1,72,31,79,518                           | -                                 |
| 10     | Turnover  | 59,95,61,559                             | 1,23,66,367                       |
| 11     | Profit/(loss) before taxation   | (43,90,20,070)                           | 1,21,72,281                       |
| 12     | Provision for taxation  | -  | 38,63,853                         |
| 13     | Profit/(Loss) after taxation  | (43,90,20,070)                           | 83,08,428                         |
| 14     | Other Comprehensive Income/(Loss)   | 1,70,172                                 | -                                 |
| 15     | Total Comprehensive Income/(Loss) for the year  | (43,88,49,898)                           | 83,08,428                         |
| 16     | Proposed Dividend   | Nil                                      | Nil                               |
| 17     | % of shareholding   | 100%                                     | 100%                              |

- 1 Names of subsidiaries which are yet to commence operations : NIL  
 2 Names of subsidiaries which have been liquidated or sold during the year : NIL

### PART-B- ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

| S. No. | Name of Subsidiary   | Manjeera Hospitality (Amaravati) Pvt Ltd | Vasavi Realtors LLP            |
|--------|--|--|--------------------------------|
| 1      | Latest audited Balance Sheet Date  | 31-03-2022                               | 31-03-2022                     |
| 2      | Date on which the Associate or Joint Venture was associated or acquired    | 09-10-2018                               | 16-05-2018                     |
| 3      | Shares of Associate or Joint Ventures held by the company on the year end  | -  | -                              |
| a      | Number of shares   | 26000                                    | -                              |
| b      | Amount of Investment in Associates or Joint Venture                        | 2,60,000                                 | 5,10,47,300                    |
| c      | Extent of Holding (in percentage)  | 26%                                      | 20%                            |
| 6      | Description of how there is significant influence                          | By way of shareholding                   | By way of capital contribution |
| 7      | Reason why the associate/Join venture is not consolidated                  | -  | -                              |
| 8      | Net worth attributable to shareholding as per latest audited Balance Sheet | 5,92,283                                 | 7,47,54,845                    |
| 9      | Profit or Loss for the year  | (36,718)                                 | 5,59,79,333                    |
| i      | Considered in Consolidation  | Yes                                      | Yes                            |
| ii     | Not Considered in Consolidation  | No                                       | No                             |

For and on behalf of the Board of directors

**G. Yoganand**  
Managing Director

**Sudhir Kilaru**  
Chief Financial Officer

**K. Krishna Murty**  
Director

**Narsimha A. Mettu**  
Company Secretary

## ANNEXURE-V

**(A) Details /Disclosures of Ratio of Remuneration to each Director and KMP (Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)**

| S No. | Requirement   | Disclosure   |                       |  |                                 |                              |
|-------|---|--|-----------------------|--|---------------------------------|------------------------------|
|       |   | Name of Director   | Sitting Fees          | Salaries & Perquisites                       | Total                           | Ratio (Times)                |
| 1     | The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year  | G Yoganand   | -                     | 24,00,000                                    | 24,00,000                       | 10.56                        |
|       |   | K Krishna Murty  | 50,000                | -  | 50,000                          | 0.22                         |
|       |   | DLS Sreshti  | 50,000                | -  | 50,000                          | 0.22                         |
|       |   | G Veena  | 45,000                | -  | 45,000                          | 0.20                         |
|       |   | Gajjala Vivekanand   | 20,000                | -  | 20,000                          | 0.09                         |
|       |   | Sudhakar Gande   | 35,000                | -  | 35,000                          | 0.15                         |
|       |   |  |                       | 26,00,000                                    | 11.45                           |                              |
| 2     | The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year   | CFO 95%, Managing Director - NIL, Company Secretary 45%  |                       |  |                                 |                              |
| 3     | The percentage increase/Decrease in the median remuneration of employees in the financial year  |  |                       | <b>2021-22</b>                               | <b>2020-21</b>                  | <b>Increase/Decrease (%)</b> |
|       |   |  |                       | 2,27,171.00                                  | 1,94,313.00                     | 16.91                        |
| 4     | The number of permanent employees on the rolls of company   | There were 45 employees as on 31st March 2022  |                       |  |                                 |                              |
| 5     | The explanation on the relationship between average increase in remuneration and company performance  | Financial performance of the Company & Inflation.  |                       |  |                                 |                              |
| 6     | Comparison of the remuneration of the Key Managerial Personnel against the performance of the company   | Salary of Key Managerial Personnel is 1.00% of Net Sales during the year.<br>Salary of Managerial Personnel is 71.30 % of Profit |                       |  |                                 |                              |
| 7     | Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year | <b>Particulars</b>   | <b>2021-22</b>        | <b>2020-21</b>                               | <b>Increase/ (Decrease) (%)</b> |                              |
|       |   | Market Capitalisation  | 3514.86 lacs          | 3514.86 lacs                                 | 0%                              |                              |
|       |   | Price Earning Ratio  | 54.04                 | Cannot be calculated in view of Negative EPS | Not applicable                  |                              |
| 8     | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration  | Salary increase/(Decrease) of Managerial personnel 18.33 %   |                       |  |                                 |                              |
|       |   | Salary increase/(Decrease) of other than Managerial personnel by 16.04 %   |                       |  |                                 |                              |
| 9     | Comparison of remuneration of the Key Managerial Personnel against the performance of the company   |  | <b>Mr. G Yoganand</b> | <b>Mr. Krishna Gokeda</b>                    | <b>Mr. CH N V Rambabu</b>       |                              |
|       |   | Remuneration in F.Y 2021-22 (Rs. In Lacs)  | 24.00                 | 7.98   | 9.65                            |                              |
|       |   | Remuneration as % of Revenue   | 0.47                  | 0.16   | 0.19                            |                              |
|       |   | Remuneration as % of PBT   | 42.37                 | 14.09  | 17.04                           |                              |
| 10    | The key parameters for any variable component of remuneration availed by the directors  | No Variable components are availed by any of the directors.  |                       |  |                                 |                              |
| 11    | The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year   | No such instances  |                       |  |                                 |                              |
| 12    | Affirmation that the remuneration is as per the remuneration policy of the company  | It is affirmed that the remuneration is as per the remuneration policy of the Company  |                       |  |                                 |                              |

**(B) Statement showing Details of Employees of the Company as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: Not Applicable**

For and on behalf of the Board of directors

**G. Yoganand**  
Managing Director

**K. Krishna Murty**  
Director

# ANNEXURE-VI

## Management Discussions & Analysis Report

### Industry Structure and Developments

#### The Global Economy

The global economy has been witnessing drastic changes since the COVID-19 pandemic. The first half of 2021 saw mass vaccinations, early policy support, ease of restrictions, and the opening up of mobility across nations. Altogether, these factors aided nations in getting back on track. Initiatives to achieve maximum employment and ensure price stability, pushed economies towards attaining robust growth and facilitated a robust bounce-back post the COVID-19 outbreak. The global economy registered a growth of 6.1% in 2021 against a contraction of 3.3% in 2020 according to the World Economic Outlook by IMF. The advanced and developing economies grew by 5.2% and 6.8%, respectively, in 2021. The US recorded a growth of 5.7% in 2021, the highest ever in the last four decades, while the UK expanded at the highest since World War II, recording a GDP of 7.5% in 2021. However, during the end of 2021 the growth slowed in some major economies including China, USA, and the EU. The slow growth was majorly due to supply chain disruption and fading benefits of fiscal and monetary policies. All nations faced with new hurdles in the form of soaring commodity prices and imbalances in demand-supply induced by the pandemic resulting in build-up of inflationary pressures. The bigger challenge was in the form of the Russia-Ukraine conflict that aggravated the situation. Amidst this conflict, the energy prices touched the roof with crude oil prices exceeding US\$ 100/barrel at one point in time.

The recovery of the global economy in the near future will largely depend on how the economies come together to contain the threat of the pandemic, ease out supply chains and restore peace treaties between Russia and Ukraine. With this backdrop, the global GDP is likely to reach 3.5% in 2022.

#### The Indian Economy

The growth forecasts of Indian economy for FY 2023 are in the range 7.2% by Reserve Bank of India's (RBI's) and 8.2% by the International Monetary Fund's (IMF's). The IMF, in its April World Economic Outlook report, slashed its forecast for India's FY23 GDP growth to 8.2 per cent from 9 per cent, stating that higher commodity prices will weigh on private consumption and investment. Volatile oil & fuel prices due to International Conflict had made it difficult to predict the fiscal balancing of the country's economy. Indian retail inflation estimated to have surged to an 18-month high in April to 7.5%, largely driven by rising fuel and food prices. The elevated price outlook pushed the RBI - which changed its focus to price stability from growth - to hike its repo rate for the first time since 2018, lifting it 40 basis points to 4.40% in an unscheduled meeting, with more expected to follow. The move came just ahead of the U.S. Federal Reserve's 50 basis point rate hike later the same day, signifying less accommodative stance.

With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity - venture capital (PE-VC) sector recorded investments worth US\$ 5.8 billion across 117 deals in February 2022, 24% higher than in January 2022. India's merchandise exports were at an all-time high of US\$ 417.81 billion in FY22. In April 2022, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 54.7. The gross Goods and Services Tax (GST) revenue collection hit an all-time high of Rs. 1.68 trillion (US\$ 21.73 billion) in April 2022. This is a 20% increase over the previous year. According to the Department for Promotion of Industry and Internal Trade (DPIIT), India gets the highest annual FDI inflow of USD 83.57 billion in FY2021-22. India's Index of Industrial Production (IIP) for January 2022 stood at 138.4 against 136.6 for January 2021. Consumer Food Price Index (CFPI) - Combined inflation was 2.9% in 2021-22 (April-December) against 9.1% in the corresponding period last year. Consumer Price Index (CPI) - Combined inflation was 5.20% in 2021-2022 (April-December) against 6.6% in 2020-21. Foreign portfolio investors (FPIs) invested Rs. 50,009 crores (US\$ 6.68 billion) in the Calendar year 2021.

Recovery in a few sectors, especially agriculture, manufacturing, construction, and contact-intensive services sector, weighed on the overall growth. Higher vaccination rates and reduced infection rate will boost private consumption. However, ongoing predictions of new variants and its effects will need to be closely monitored. The Production Linked Incentive (PLI), covering 13 sectors continues to be critical in scaling up domestic manufacturing facilities, accompanied by higher import substitution and employment generation. While the growth outlook is optimistic, the resilience of the Indian economy will be tested against the global crisis during the course of 2022-23.

Amidst the challenges, Indian economy as well as the economies all over the world have continued to improve, and commerce has hit record highs. Global GDP is gradually expected to touch 3.8% in FY 2023 because of eventual fading of pent-up demands and reversal of the supportive fiscal monetary policies of governments and central banks. However, the recent war between Russia and Ukraine dampened the spirits of investors. The eminent issue like material crisis, increased gas prices, logistics constrains and increasing inflation that the war poses do lead to considerable headwinds to many businesses.

#### Industry Overview

Indian real estate sector has witnessed high growth in the recent times with rise in demand for office as well as residential spaces. According to Colliers India, a property consultant, institutional investments in the Indian real estate sector are expected to increase by 4% to reach Rs. 36,500 crore (US\$ 5 billion), driven by rising interest of investors towards capturing attractive valuations amid the pandemic. According to a recent report by Colliers India, private equity investments in Indian real estate reached US\$ 2.9 billion in the first half of 2021, which was a >2x increase from the first half in 2020.



Exports from SEZs reached Rs. 7.96 lakh crore (US\$ 113.0 billion) in FY20. Indian real estate is expected to attract a substantial amount of FDI in the next two years with US\$ 8 billion capital infusion by FY22. As of June 30, 2021, India formally approved 427 SEZs.

In July 2021, the Securities and Exchange Board of India lowered the minimum application value for Real Estate Investment Trusts from Rs. 50,000 (US\$ 685.28) to Rs. 10,000 -15,000 (US\$ 137.06 - US\$ 205.59) to make the market more accessible to small and retail investors.

In the first-half of 2021, India registered investments worth US\$ 2.4 billion into real estate assets, a growth of 52% YoY.

Share of the top listed developers in the Indian residential market is expected to increase to 29% in FY24, from 25% in FY21, driven by a strong pipeline for residential project launch.

Between July 2021-September 2021, a total of 55,907 new housing units were sold in the eight micro markets in India (59% YoY growth).

The Ministry of Housing and Urban Affairs has recommended all the states to consider reducing stamp duty of property transactions in a bid to push real estate activity, generate more revenue and aid economic growth.

## Outlook

The Indian economy has fully recovered to the pre-pandemic real GDP level of 2019-20, according to the provisional estimates of GDP released on May 31, 2022. Real GDP growth in FY 2021-22 stands at 8.7%, which is 1.5% higher than the real GDP in FY 2019-20. These figures are associated with stronger growth momentum, indicating increased economic demand. The investment rate in the fourth quarter increased to its highest level in the previous nine quarters. Moreover, capacity utilisation in the manufacturing sector rose in the fourth quarter, as against the third quarter, implying a build-up in demand, which is consistent with the growth objectives of the Indian economy.

Future capital spending of the government in the Indian economy is expected to be supported by factors such as tax buoyancy, streamlined tax system, thorough assessment and rationalisation of the tariff structure and digitisation of tax filing. In the medium term, an increase in capital spending on infrastructure and asset-building projects is set to increase growth multipliers.

## Risks and Concerns

The Indian real estate sector has come a long way since the 1990s' by becoming one of the fastest growing markets in the world. It is not only successfully attracting domestic real estate investment but foreign investments too. The growth of the industry is attributed mainly to India's growing population, rising income level and rapid urbanization. However, despite the positive outlook for the sector in the coming years, it is battling challenges. The Company works in an environment, which is affected by various factors, some of which are controllable while some are outside the control of the Company.

The real estate sector is not an independent unit and works in tandem with several sectors such as Steel, Iron, Cement, and other allied materials. In Union Budget 2022-23 announcements, the Finance Minister has revoked the Countervailing Duty and Anti-dumping duty on stainless steel, coated steel, bars of alloy steel, and high-speed steel. The decision was taken to provide immediate relief to the steel industry amid rising metal prices in recent times. It will also reduce imports from China and promote domestic manufacturing.

It will have a direct impact on the construction and allied industries that extensively utilize steel and steel products in housing construction.

The COVID-19 Pandemic has left its indelible mark on the functioning of the sector with the second wave reaching its peak in March-May 2021. With such predictions about the spread of new Monkeypox Virus, recurrence of COVID-19 Pandemic, and the Russia-Ukraine crisis it will be too risky to make any predictions about the functioning of the industry in the near term.

## Developments

The COVID-19 pandemic has had a significant impact on the construction sector, which is sensitive to economic cycles. Yet, on the upside, construction holds much potential to stimulate recovery, thanks to its potential to create jobs; and in turn, recovery measures can support the sector's transformation towards sustainability and digitalization.

The Company is also focusing on the improved execution efficiencies, cost competitiveness and better services to existing & potential customers in order to increase sales.

The key aspects of business philosophy of Manjeera group are on-time delivery; cost competitiveness, high quality standards with focus on best in class Health, Safety and Environment. Integrated strengths coupled with experienced and highly skilled work force, are the key enablers in delivering critical and complex projects. Manjeera Group has managed to create several landmark projects in residential, commercial, retail and hospitality sectors. The projects developed by the Company mostly pertain to the middle and high-income groups. Having made its mark in the city of its birth, Manjeera has entered Vijayawada and Rajahmundry in the earlier years and is now expanding into other cities like Bengaluru and Ongole. Its projects stand as hallmarks of quality construction, clear titles and value for money.

## Segment-Wise Performance

The Company has two separate business segments – Real Estate and Construction Contracts. These are reportable segments in accordance with the IND AS 108 issued by the Companies (Indian Accounting Standards), Rules, 2015. The Segment wise results are given at Note No.37 to the financial statements.

## Strengths and Opportunities

- Wide range of expertise spanning over 35 years in the construction sector, professional and competent senior management team.
- Well established brand recognition and goodwill.
- Diversified product mix ranging across residential, commercial and retail and Hospitality space.
- Strategically located projects with high selling potential. Identifying customer requirements and developing quality products.
- The Company's brand image has further improved with a recall value owing to its presence for a longer period and its commitment to quality and timely completion of projects.
- The experience and expertise gained in its field of activities have enabled the company to fast identify and create opportunities for new businesses.

## Weaknesses and Threats

- Uncertainties associated with government policies and compliance requirements
- Bureaucracy causing delays in approvals and changes in policies

The threat caused by the ongoing Pandemic COVID-19 is a common threat to the entire economy.

## Internal Control Systems

The Company has a proper and adequate system of internal financial controls, commensurate with its size and business operations. It ensures timely and accurate financial reporting in accordance with applicable accounting standards, safeguarding of assets against unauthorized use or disposition and compliance with all applicable regulatory laws and Company policies.

## Financial Performance & Operational Review

Your Company is focusing on execution of its existing projects. The key strategy will be focused around:

1. Timely completion of Projects
2. Financial strength & liquidity
3. Professional Management
4. Customer care
5. Brand Equity

During the year under review, the Company registered total revenue of Rs. 4033.12 Lakhs as compared to Rs. 3132.25 lakhs for the previous year. The Operations during the year has resulted into a Profit after Tax of an amount of Rs. 65.44 Lakhs compared to a Loss after Tax of Rs. 763.94 Lakhs for the previous financial year.

## Details of Projects

All the Company's ongoing and completed projects are based in Hyderabad, Vijayawada, Rajahmundry, Ongole, Amaravati, Bhubaneswar and Bangalore. The Company has developed several landmark projects, both residential and commercial.

Brief details of the ongoing projects are given hereunder:

| Project                                   | Location    | Total Area (Sft.) (approx.)  |
|---|-------------|--|
| Manjeera Monarch                          | Vijayawada  | 8,51,429   |
| Rajahmundry mixed use Development Project | Rajahmundry | 4,93,114   |
| Ongole Project                            | Ongole      | 6,34,678   |
| Bangalore Residential Project             | Bangalore   | 5,61,600   |
| Khanamet Ultra Luxury Residential Project | Hyderabad   | Land admeasuring 2.92 Acres acquired in auction. Project details are under compilation |

## Human Resources and Industrial Relations

The Company's Human Resource philosophy is to establish, build and retain a strong performance and competency driven culture with greater sense of accountability and responsibility. The Company has been focused to create an environment that assists the employees to enhance their sense of pride in what they are doing thereby contributing to better productivity. The Company through its effective HR policies and systems has always encouraged its workers to innovate and apply new ideas to achieve quantum leaps in both size and scale of operations. The company has focused on employee lifecycle for good human resource management and feels proud of the commitment, competence and dedication shown by its employees in all areas of business.

The Company believes that its real strength lies in the commitment and quality of its people. Employees are provided opportunity to grow and prosper. The authority and responsibility chain is clearly defined and the employees are free to convey their ideas and suggestions to their superiors. Team meetings are held at frequent intervals to improve communication and interactions between the employees. Industrial relations remained stable throughout the financial year 2021-22.

As on 31<sup>st</sup> March 2022, the number of people employed by the Company was 45.

### **Corporate Social Responsibility (CSR)**

Your Company is committed to conduct business in an accountable manner that creates a sustained positive implication in society and it endeavours to make a positive contribution towards social cause. Your Company, in association with the Vasavi Foundation for Empowerment, has made several contributions for supporting, imparting training to persons who have an excellent academic record and limited financial means in the previous years. However, due to inadequate profits/losses in the previous 3 years the provisions of Section 135 of the Companies Act, 2013 ceased to apply to the Company. Hence, the Company did not contribute towards CSR activities for the Financial Year 2021-22.

### **Cautionary Statement**

Certain statements in the MDA concerning future prospects may be forward-looking statements, which involve a number of underlying identified / non-identified risks, and uncertainties that could cause actual results to differ materially. In addition to the foregoing changes in the macro-environment, global pandemic like COVID-19 may pose an unforeseen, unprecedented, unascertainable and constantly evolving risk(s), inter-alia, to the Company and the environment in which it operates. The results of these assumptions made, relying on available internal and external information, are the basis for determining certain statements in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made.

## Annexure-VIII

### REPORT ON CORPORATE GOVERNANCE

A report for the Financial Year ended March 31, 2022 on the compliance by the Company with Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is furnished below.

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to achieve good standards of Corporate Governance on a continuous basis. The Company's philosophy on Corporate Governance is aimed at the attainment of transparency, accountability and compliance of laws in all facets of operations. This has enabled your Company to earn the trust and goodwill of its investors, business partners and employees.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's 'Corporate Governance Report' is given below:

#### 2. BOARD OF DIRECTORS

##### a) Composition of the Board

- i. In consonance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's Board is constituted with appropriate executive and non-executive Directors to maintain its independence and to exercise effective governance and control over its executive functioning. The Company's Board of Directors comprises of total Six Directors, three of which are Independent Directors and one Managing Director and one non-executive woman Director and one non-executive director. The Managing Director is responsible for the conduct of the Business and the day-to-day affairs of the Company. Two-thirds of total number of Directors (excluding Independent directors) retire by rotation. One-Third of such Directors retire by rotation in the Annual General Meeting of the Company. The Directors possess wide range of experience in diverse fields and bring in technical and financial expertise.
- ii. None of the Directors is disqualified from holding the office as per the provisions of Section 164 of the Companies Act 2013 and the Company has obtained declarations from all the Directors to this effect.
- iii. During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees.
- iv. The information as required in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being regularly placed before the Board.
- v. The Board normally meets four times in a year and also as and when required. The Board has duly met five times in the year under review, on 09.06.2021, 30.06.2021, 14.08.2021, 13.11.2021 and 14.02.2022. The time gap between two Board Meetings has not exceeded the limit of one hundred and twenty days as specified under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.
- vi. Details of attendance of Directors at Board Meetings, last Annual General Meeting and the details of other Directorships and Memberships/Chairmanships of Committees of each Directorship in other Companies for the year ended 31.03.2022 are furnished below. Further none of them is member of more than ten committees or Chairman of more than five committees across all the public Companies.

| Name of the Director | Category of Directorship and Designation           | Attendance Particulars |          | No. of Directorships in Other Companies |        | *Committee Membership | Committee Chairmanship |
|----------------------|--|------------------------|----------|---|--------|-----------------------|------------------------|
|                      |  | Board Meetings         | Last AGM | Private                                 | Public |                       |                        |
| Mr. G. Yoganand      | Promoter, Executive Chairman and Managing Director | 5                      | Yes      | 8                                       | 3      | 3                     | -                      |
| Mr. K. Krishna Murty | Independent Non-Executive Director                 | 5                      | Yes      | -                                       | 1      | 4                     | 4                      |
| Mr. D. L. S. Sreshti | Independent Non-Executive Director                 | 5                      | Yes      | 1                                       | 2      | 4                     | 2                      |
| Mr. Sudhakar Gande   | Independent Non-Executive Director                 | 5                      | Yes      | 4                                       | 1      | 4                     | -                      |
| Mr. G. Vivekanand    | Non-Executive Director                             | 4                      | Yes      | 2                                       | 2      | -                     | -                      |
| Ms. G Veena          | Non-Executive Woman Director                       | 4                      | Yes      | 5                                       | 1      | 3                     | -                      |

Membership/Chairmanship in audit committee, stakeholder relationship committee, CSR committee and nomination and remuneration committee of all public limited companies, whether listed or not, including this Company are considered.

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company [www.manjeera.com](http://www.manjeera.com)

- vii. During the year, the Independent Directors met once on February 14, 2022, without the presence of non-Independent Directors and the members of the Management. Independent Directors at their meeting, reviewed the performance of non-independent Directors and the Board as a whole and assessed the quality and timeliness of flow of information between the Company management and the Board, for the Board to effectively and reasonably perform their duties. All the Independent Directors attended the meeting.

#### Committees of the Board

The Board has constituted 3 standing Committees to focus on specific functions and to facilitate the decision making process. The Company Secretary acts as the Secretary to the Meetings and the Minutes of the committees are duly reviewed by the Board.

Details of the Committees, relationship inter se and their Membership are provided hereunder:

| Name of the Director | Name of the Committee |                                     |                           | Relationship with Each Other               |
|----------------------|-----------------------|-------------------------------------|---------------------------|--|
|                      | Audit Committee       | Stakeholders Relationship Committee | Nomination & Remuneration |  |
| Mr. G. Yoganand      | No                    | No                                  | No                        | Father of Ms. G. Veena & Mr. G. Vivekanand |
| Ms. G Veena          | Yes                   | Yes                                 | Yes                       | Daughter of Mr. G. Yoganand                |
| Mr. G. Vivekanand    | No                    | No                                  | No                        | Son of Mr. G. Yoganand                     |
| Mr. K. Krishna Murty | Yes                   | Yes                                 | Yes                       | **   |
| Mr. D. L. S. Sreshti | Yes                   | Yes                                 | Yes                       |  |
| Mr. Sudhakar Gande   | Yes                   | No                                  | No                        |  |

1. None of the Directors on the Board is a Member of more than Ten Committees nor was the Chairman of more than five Committees across all Companies in which they are Directors.

\*\* No inter-se relationship with any of the Directors of your Company.

The shareholding of the Non-Executive Directors of your Company as on 31<sup>st</sup> March, 2022 is as follows:

| Name of the Director(s) | Nature of Directorship             | No. of Shares Held | Percentage to the Paid-Up Share Capital |
|-------------------------|------------------------------------|--------------------|---|
| Mr. K.Krishna Murty     | Non-Executive Director/Independent | Nil                | Nil                                     |
| Mr. D.L.S Sreshti       | Non-Executive Director/Independent | Nil                | Nil                                     |
| Mr. Sudhakar Gande      | Non-Executive Director/Independent | Nil                | Nil                                     |
| Ms. G Veena             | Non-Executive Director             | 10,125             | 0.08                                    |
| Mr. G. Vivekanand       | Non-Executive Director             | 10,325             | 0.08                                    |

- viii. Familiarization program for Independent Directors

The Company has put in place a familiarization programme for Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates and business model of the Company.

### 3. BOARD/COMMITTEE MEETINGS AND PROCEDURE

#### a) Decision Making Process

The Board's mandate is to oversee the Company's strategic direction, review corporate performance, authorize and monitor investments, ensure regulatory compliance and safeguard interests of all stakeholders.

In order to setup the systems and procedures for the matters requiring decisions by the Board, the Board of Directors has followed code of conduct framed for this purpose. The said code of conduct seeks to systematize the decision making process in the most efficient manner.

**b) Scheduling and selection of Agenda Items for Board/Committee Meetings:**

- The Company holds minimum of four Board Meetings in each year, which are pre-scheduled after the end of each financial quarter. Apart from the four pre-scheduled Board Meetings, Additional Board Meetings will be convened by giving appropriate notice at any time to address the specific needs of the Company. The Board also approves urgent matters by passing Resolutions by Circulation.
- Under the direction of Managing Director, the Company Secretary in consultation with other concerned persons in the senior management, finalizes the agenda items for the Board/Committee Meetings and circulates in advance, the agenda along with the explanatory notes to the Board/Committee Members and other invitees.
- Where it is not practicable to attach any document or the Agenda which is of sensitive nature, the same is circulated at the meeting with the approval of the Chair. In special and exceptional circumstances, additional or supplemental items on the agenda are taken up for discussion with the permission of the Chair and after consensus is reached. Sensitive/Confidential subject matters are discussed at the meeting even without written material being circulated.
- The meetings of the Board/Committees are normally held at the Registered Office of the Company.
- The Members of the Board have complete access to all information of the Company.

**c) Recording Minutes of Proceedings at Board and Committee Meetings:**

The Company Secretary records the Minutes of the proceedings of each Board and Committee meetings. Draft Minutes are circulated to all the Members of the Board/Committee for their comments. The final minutes are entered in the Minutes book within 30 days from conclusion of the meeting and are signed by the Chairman in the next meeting.

**d) Compliance:**

While preparing the Agenda, Notes on agenda, minutes of the meeting(s), adequate care is taken to ensure adherence to all the applicable Laws and Regulations including the Companies Act, 2013 read with the Rules issued there under.

**e) Role of Independent Directors:**

Independent Directors play a key role in the decision-making process of the Board as they approve the overall strategy of the Company and oversee the performance of the management. The Company benefits immensely from their inputs in achieving its strategic direction.

The Committees constituted by the Board have majority of Independent Directors as members. The Independent Directors are committed to act in what they believe is in the best interest of the Company and its Stakeholders. Based on the declarations given by the Independent Directors from time to time in the opinion of the board, the independent directors fulfill the conditions specified in the regulations and are independent of the management.

**f) Information placed before the Board of Directors, inter alia, includes:**

- i. Quarterly Results for the Company.
- ii. Annual Accounts, Board's Report etc.
- iii. Minutes of meetings of Board and other committees of the Board.
- iv. Minutes of meetings of Board of subsidiary companies.
- v. Reconciliation of Share Capital Audit.
- vi. Review of status of execution of various projects of the Company.
- vii. Review of operations of the subsidiary companies.
- viii. Formulation of various Policies of the Company
- ix. Disclosure of Interest by Directors about directorship and committee positions occupied by them in other companies.
- x. The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- xi. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- xii. Information relating to major legal disputes.
- xiii. The directors have expertise in the fields of strategy, management and governance, finance, operations, science, technology and human resources. Such expertise enables the board to steer the Company in the right direction.

Table below gives details of their individual competence, expertise and skills.

#### MATRIX OF BOARD EXPERTISE

| Name               | Strategy | Management and Governance | Finance | Human Resources | Science, Technology and Operations |
|--------------------|----------|---------------------------|---------|-----------------|------------------------------------|
| Gajjala Yoganand   | ✓        | ✓                         | ✓       | ✓               | ✓                                  |
| D.L.S Sreshti      | ✓        | ✓                         | ✓       | ✓               | ✓                                  |
| K Krishna Murty    | ✓        | ✓                         | ✓       | ✓               | ✓                                  |
| Sudhakar Gande     | ✓        | ✓                         | ✓       | ✓               | ✓                                  |
| Gajjala Vivekanand | ✓        | ✓                         | ✓       | ✓               | ✓                                  |
| Gajjala Veena      | ✓        | ✓                         | ✓       | ✓               | ✓                                  |

xiv. All other significant events / information.

#### 4. AUDIT COMMITTEE

The main objective of the Audit Committee is to review with management, the quarterly / annual financial statements prior to recommending the same to the Board for its approval. The Committee also assists the Board in its responsibility for overseeing the quality and integrity of accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements.

##### a) Terms of Reference

The terms of reference of the Audit Committee inter alia, cover the matters specified under Regulation 18 of SEBI (LODR) Regulation, 2015 as well as the provisions specified in Section 177 of Companies Act, 2013 and more particularly include the following:

- To review the Company's financial reporting process and disclosure of financial information.
- Review of Internal Control Systems and Procedures.
- Review of Related Party Transactions.
- Review the performance of auditors to ensure that an objective, professional and cost effective relationship is maintained.

##### b) Role of Audit Committee:

The role of the audit committee includes the following activities:

- Recommends to the Board, the appointment or re-appointment of Statutory Auditors and the audit fees payable to them.
- To discuss with statutory auditors about the nature & scope of audit prior to the commencement of audit and areas of concern, if any, arising post audit.
- Approving fees payable to statutory auditors for other services rendered by them.
- To investigate any activity within its terms of reference.
- To Review Statutory Dues, Inter Corporate Deposits, Analysis of Debtors, Insurance Coverage of assets of Company etc.
- To approve and review the Related Party Transactions of the Company on a regular basis

##### c) Composition and Meetings of the Committee:

The Audit Committee comprises of three Independent Directors and one non-executive director. The Company Secretary of the Company is the secretary to the committee. Mr. D.L.S. Sreshti is the Chairman of the Committee. He possesses requisite financial / accounting expertise. The quorum for the meeting of the committee is two members. The committee acts as a link between the management, statutory auditors and the Board of Directors.

In addition to the members and Company Secretary, representatives of statutory auditors are also invited to attend the audit committee meeting to reply to the queries, if any, by the committee members.

The Audit Committee was reconstituted in the Meeting held on 14.08.2021 by appointment of Mr. Sudhakar Gande, an Independent Director on the Board of the Committee, as a Member of the Committee.

During the year under review, the Audit Committee met Five times. The Audit Committee Meetings were held on 09.06.2021, 30.06.2021, 14.08.2021, 13.11.2021 and 14.02.2022.

The Committee comprises of below members after reconstitution.

The attendance of the members at the meeting of the Audit Committee is as under:

| Name of the Member   | Designation | Nature of Directorship                   | No. of Meetings Attended |
|----------------------|-------------|--|--------------------------|
| Mr. D. L. S. Sreshti | Chairman    | Independent & Non-Executive Director     | 5                        |
| Mr. K. Krishna Murty | Member      | Independent & Non-Executive Director     | 5                        |
| Mr. Sudhakar Gande   | Member      | Independent & Non-Executive Director     | 2                        |
| Ms. G Veena          | Member      | Non-Executive & Non-Independent Director | 5                        |

\* The Chairman of the Audit Committee was present at the last Annual General Meeting.

## 5. NOMINATION & REMUNERATION COMMITTEE

The Company had a Remuneration Committee and Mr. DLS Sreshti & Mr. K. Krishna Murty were the Members of the said Committee. However, as per the provisions of section 178 (1) of Companies Act, 2013, and Regulation 19 of SEBI (LODR) Regulation, 2015, the Board of Directors of every listed Company, shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than 1/2 shall be independent directors. Accordingly, the Board renamed the Remuneration committee to Nomination & Remuneration committee in the Board meeting held on 14.08.2014.

- i. The committee is constituted to determine on their behalf and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for directors. The remuneration policy of the Company is directed towards evaluating performance on a periodic basis.

Brief description of terms of reference.

The functioning and terms of reference of the Nomination & Remuneration Committee are prescribed under the erstwhile listing agreement and the Listing Regulations. It determines the Company's policy on all elements of the remuneration packages of the Directors including the executive Directors. The role of the committee includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board of Directors a policy relating to the remuneration of the directors, Key managerial personnel and other employees.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board of Directors for their appointment and removal;
- Performance evaluation of Independent Directors; and
- Recommend to the Board all remuneration, in whatever form payable to senior management,

Composition and Meetings of Committee:

As per the provisions of section 178 (1) of Companies Act, 2013, the Committee comprises of the following Members after re-constitution of the committee on 14.08.2014:

| Name of the Member   | Designation | Nature of Directorship                   |
|----------------------|-------------|--|
| Mr. D. L. S. Sreshti | Chairman    | Independent & Non-Executive Director     |
| Mr. K. Krishna Murty | Member      | Independent & Non-Executive Director     |
| Ms. G Veena          | Member      | Non-Independent & Non-Executive Director |

- ii. Meetings and attendance during the year 2021-22

During the year, two meetings of the Nominations and Remuneration Committee was held on 09.06.2021 and 14.08.2021. All members attended the said meetings held during FY 2021-22

- iii. Performance evaluation criteria for Independent Directors:

Independent Directors have three key roles- governance, control and guidance. Some of the performance indicators, based on which the independent directors are evaluated, are:

- Contribution to and monitoring Corporate Governance practices.
- Ability to contribute to address top management issues.
- Active participation in long term strategic planning.
- Commitment to the fulfillment of obligations and responsibilities.

The performance evaluation of Independent Director is done by the Board annually based on criteria of attendance and contributions at Board/Committee meetings and also the role played by them other than at meetings.

In line with Corporate Governance guidelines, evaluation of all Board members is done on an annual basis. This evaluation is done by the entire Board led by the Chairman of the Board with specific focus on the performance and effective functioning of the Board, committees of the Board and individual directors and reported to the Board. The evaluation process also considers the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

The entire Board of directors (excluding the director being evaluated) evaluate the performance of Independent directors and on the basis of performance evaluation, the Board decides to continue the term of appointment of Independent Directors.

- iv. Remuneration paid to Directors:

- a. Executive Directors

The details of remuneration paid/payable to the Managing Director for the financial year 2021-22 is given below:



(Amount in Rs.)

| Name of the Director | Salary, Allowances & Perks | Commission | Loans and Advances from the Company | Total     |
|----------------------|----------------------------|------------|-------------------------------------|-----------|
| Mr. G. Yoganand      | 24,00,000                  | Nil        | Nil                                 | 24,00,000 |

The present remuneration structure of Executive Director comprising of salary, perquisites and allowances have been approved by the Shareholders of the Company.

#### Non-Executive Directors

All the Non-Executive directors receive remuneration only by way of sitting fees for each meeting of the Board. Sitting fees @ Rs. 5,000/- per meeting is paid for attending each meeting of the Board and Audit Committee. The details of sitting fees paid to Non-Executive Directors for the financial year 2021-22 are as under:

| Name of the Director | Sitting Fees (Amount in Rs.) |
|----------------------|------------------------------|
| Mr. K. Krishna Murty | 50,000                       |
| Mr. D. L. S. Sreshti | 50,000                       |
| Ms. G Veena          | 45,000                       |
| Mr. Sudhakar Gande   | 35,000                       |
| Mr. G. Vivekanand    | 20,000                       |

Except as mentioned above, sitting fee paid to respective Directors and reimbursement of expenses incurred towards attending the meetings, no other payment to individual Directors were made during the Financial Year 2021-22.

- Details of fixed component and performance linked incentives, along with the performance criteria: NIL
- Service contracts, notice period, severance fees : NIL
- Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable: NIL

#### 6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

As per the provisions of the Regulation 20 of SEBI (LODR) Regulations, 2015, specific Companies should constitute Stakeholders Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders, and security holders. In this regard Board of the Company had renamed Share Transfer & Investors Grievance Committee to Stakeholders' Relationship Committee in the Board meeting held on 14.08.2015, which consists of two directors namely Mr. K Krishna Murthy and Mr. DLS Sreshti and it was reconstituted on 27.03.2019 and appointed Ms. Veena Gajjala as member of the committee w.e.f 27.03.2019. The details of the Committee given as at the end of the financial year:

|  |   |
|--|---|
| Name of non-executive Director heading the Committee               | Mr. K Krishna Murthy, non-executive and Independent Director chairs the stakeholder relationship committee. |
| Name and designation of Compliance officer                         | Mr. Narsimha A. Mettu, Company Secretary & Compliance Officer   |
| Number of Shareholders' complaints received so far                 | NIL   |
| Number of complaints not solved to the satisfaction of shareholder | NIL   |
| Number of pending complaints                                       | NIL   |

During the year under review the Stakeholders relationship committee met on 14.02.2022. The Stakeholders Relationship Committee is constituted to look into the matters related to approval of share transfers, transmissions, dematerialization, issue of duplicate share certificates, non-receipt of Annual Reports, non-receipt of dividends and other issues concerning shareholders / investors.

Mr. CH N V Rambabu, Company Secretary of the Company was nominated as Compliance Officer under SEBI (LODR) Regulations, 2015 and is responsible for expediting the share transfer formalities. He also looked into the investor grievances and supervises & co-ordinates with **M/s. XL Softech Systems Limited, Registrar & Share Transfer Agent for redressal of grievances. Subsequent to his resignation with effect from 02.08.2022 Mr. Narsimha A Mettu Company Secretary and Compliance Officer of the Company is charged with these tasks. Every quarter the Company is uploading the status of complaints received and their respective redressal to BSE.**

The Company has a designated e-mail address, [investors@manjeera.com](mailto:investors@manjeera.com) to redress investors' grievances. During the year, the Company has not received any complaint from its shareholders. There was no un-resolved investor complaint as at the end of the financial year.

The contact details of Compliance Officer & Company Secretary are as given below:

Mr. Narsimha A. Mettu  
Company Secretary & Compliance Officer  
Manjeera Constructions Limited  
#711, Manjeera Trinity Corporate,  
JNTU-Hitech City Road, Kukatpally – 500 072  
Tel: 040-66479647/ 66479664  
E-mail ID: [cs@manjeera.com](mailto:cs@manjeera.com)

## 7. GENERAL BODY MEETINGS

### a) Annual General Meetings

The details of date, time and location of Annual General Meetings (AGM) of the Company held during the last three years and the Special Resolutions passed thereat are as follows:

| Meeting              | Venue  | Date       | Time      | Special Resolutions passed   |
|----------------------|--|------------|-----------|--|
| 34 <sup>th</sup> AGM | Held through Virtual mode and deemed to be held at the registered office of the Company situated at #711, Manjeera Trinity Corporate, JNTU Hitech City Road, Kukatpally, Hyderabad-500072. | 30.09.2021 | 10:00 AM  | NIL  |
| 33 <sup>rd</sup> AGM | Held through Virtual mode and deemed to be held at the registered office of the Company situated at #711, Manjeera Trinity Corporate, JNTU Hitech City Road, Kukatpally, Hyderabad-500072. | 19.12.2020 | 10:00 A.M | Re-appointment of Mr. Gajjala Yoganand as Chairman & Managing Director of the Company<br>Regularization of appointment of Mr. Sudhakar Gande as a Director<br>Regularization of appointment of Mr. Gajjala Vivekanand as a Director  |
| 32 <sup>nd</sup> AGM | Hotel Aditya Park, Ameerpet, Hyderabad   | 28.09.2019 | 9:30 A.M  | Re-appointment of Shri. K Krishna Murthy as an Independent Director of the Company for the second term of 5 (five) consecutive years<br>Re-appointment of Shri. DLS Sreshti as an Independent Director of the Company for the second term of 5 (five) consecutive years<br>Revision in Remuneration to Mr. Gajjala Yoganand, Managing Director of the Company for a period of 1 year (One) year, w.e.f. 1st April, 2019<br>Adoption of new set of Article of Association |

### b) Extra-Ordinary General Meetings:

No Extra-Ordinary General Meeting was held during the year under review.

### c) Postal Ballot:

No Postal Ballot has been conducted by the Company during the year under review.

## 8. SUBSIDIARIES

The Company has two wholly owned subsidiaries i.e., M/s Manjeera Retail Holdings Private Limited and M/s. GM Infra Ventures Private Limited.

An application to strike off the name of M/s. MTM Estates and Properties Private Limited, a wholly owned subsidiary from the Ministry of Corporate Affairs was made on 31.03.2021. The notice of Striking off and dissolution of the Company in Form STK-7 was received from MCA on 01.12.2021

Pursuant to Regulation 24 of SEBI (LODR) Regulations, 2015, Mr. K. Krishna Murthy and Mr. DLS Sreshti, (Non-Executive Independent Directors) of the Company is on the Board of Manjeera Retail Holdings Private Limited, a material unlisted Indian subsidiary of the Company.

## 9. MEANS OF COMMUNICATION

The Company regularly interacts with the shareholders from time to time and promptly and efficiently disseminates information through the Annual report and the Company's website.

### • Quarterly /Half-Yearly /Annual Results:

The Financial Results are generally published in The Financial Express, English daily newspaper circulating in substantially the whole of India and in Nava Telangana, Telugu vernacular daily newspaper and are also posted on the Company's website [www.manjeera.com](http://www.manjeera.com)

### • News Releases

The Quarterly, Half-Yearly and Annual Results of the Company are published in the prescribed proforma within 48 hours of the

conclusion of the meeting of the Board in which they are considered and are circulated in one English, one Telugu newspaper.

- Website

The Company has dedicated a section to the investors in its website [www.manjeera.com](http://www.manjeera.com) wherein information as to financial results, shareholding pattern and Annual Reports are periodically updated.

- Designated email-ID:

The Company has also designated email-id [investors@manjeera.com](mailto:investors@manjeera.com) exclusively for investor servicing.

- Annual Report:

Annual Report containing Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report, Management's Discussion and Analysis and Corporate Governance reports, information pursuant to Para 2 of General instructions regarding subsidiary companies and other important information is circulated to Members and others entitled thereto and updated in the Company's website.

- SEBI Complaints Redressal System (SCORES):

The investors' complaints are also being processed through the centralized web based complaint redressal system. The salient features of SCORES are availability of centralised data base of the complaints and uploading online action taken reports by the Company. Through SCORES, the investors can view online, the actions taken and current status of the complaints.

## 10. DISCLOSURES

### i) Related Party Transactions:

There are no materially significant Related Party Transactions which are potentially in conflict with the interests of the Company since all such transactions are negotiated at prevailing market rates/prices, in the best interests of the Company.

All material transactions entered into with related parties as defined under the Act and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business. These have been approved by the Audit Committee. The Board has approved a Policy for related party transactions which has been uploaded on the Company's website at [www.manjeera.com](http://www.manjeera.com).

There have been no materially significant related party transactions between the Company and its Directors, the Management, subsidiaries or relatives, except for those disclosed in the Board's report. Detailed information on materially significant related party transactions is enclosed as Annexure- IV to the Board's report and the details of all Related Party Transactions during FY 2021-22 are given at note no. 36 to the Standalone Financial Statements.

### ii) Compliances

During the year under review there are no penalties or strictures imposed on the Company by Stock Exchanges, SEBI or other statutory authorities for non-compliance of any matter related to capital markets. All the returns have been filed within the stipulated time with the authorities concerned.

### iii) Code of conduct for Board and Senior Management:

The Company has framed and adopted a Code of Conduct for its Directors and senior management personnel duly approved by the Board.

A copy of the said Code of Conduct is available on the Company's website [www.manjeera.com](http://www.manjeera.com).

All Board Members and senior management personnel have confirmed compliance with the Code of Conduct for the financial year 2021-22. A declaration to this effect signed by the Managing Director of the Company is enclosed at the end of this report.

### iv) Whistle Blower Policy/ Vigil Mechanism:

The Company has adopted a Whistle Blower Policy and has established necessary mechanism for employees to report concerns about unethical behavior or violation of the Company's Code of Conduct. The Whistle Blower Policy requires every employee to promptly report to the Management any actual or possible violation of the code. The disclosures if any reported are addressed in the manner and within the time frames prescribed in the policy.

No person has been denied access to the Management/Audit Committee. Further, the said policy has been posted to the Company's website, [www.manjeera.com](http://www.manjeera.com).

### v) Policy on Prevention of Insider Trading:

In line with the commencement of the Companies Act 2013, the Company has adopted a policy for prevention of Insider Trading in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 effective from 15th May 2015, applicable to all the directors and other designated employees who may have access to unpublished price-sensitive information. Accordingly, such officials are prohibited from trading in the securities of the Company during the notified "closure of trading window" period. This policy is an amendment of the policy made under SEBI (Prohibition of Insider Trading) Regulations, 2015

- vi)** Details of compliance with mandatory requirements and adoption of non-mandatory requirements:  
The Company has complied with all the applicable mandatory requirements. The Company has not adopted the non-mandatory requirements of the Listing Regulations.
- vii)** Accounting Treatment in preparation of Financial Statements:  
The guidelines /accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 133 of the Companies Act, 2013 have been followed in preparation of the financial statements of the Company in all material aspects.
- viii)** Web link determining policy for material subsidiary  
The Company has formulated the policy on material subsidiary and on dealing with related party transactions and it is available at the website of the Company at [www.manjeera.com](http://www.manjeera.com).
- ix)** The Company is not dealing in commodity and hence disclosure relating to commodity price risks and commodity hedging is not required.
- x)** Details of utilization of funds raised through preferential allotments or qualified institutional placement as specified under Regulation 32(7A): Not Applicable
- xi)** A certificate from the Company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been enclosed separately to this report.
- xii)** Whether the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year: No
- xiii)** Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: Rs. 9,59,000/- BS
- xiv)** Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- number of complaints filed during the financial year : Nil
  - number of complaints disposed of during the financial year : NA
  - number of complaints pending as on end of the financial year : Nil
- xv)** Non-Compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof:  
All the above requirements are complied with.

## 11. GENERAL SHAREHOLDERS' INFORMATION

### Company Registration Details:

The Company is registered in the State of Andhra Pradesh (currently Telangana State), India. The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs (MCA) is L45200TG1987PLC007228.

The registered office of the Company is situated at #711, Manjeera Trinity Corporate, JNTU Hitech City Road, Kukatpally, Hyderabad-500072

### a) Details of 35th Annual General Meeting

Date and Time : 30.09.2022 at 10.00 A.M.  
Venue : VC/OAVM and the deemed venue of the meeting is at the registered office of the Company at Manjeera Constructions Ltd, #711, Manjeera Trinity Corporate, JNTU Hitech City Road, Kukatpally, Hyderabad-500072.

- b)** Financial Year : April 1 to March 31  
**c)** Date of Book Closure : 23.09.2022 to 30.09.2022 (Both days inclusive)  
**d)** Dividend Payment Date : No dividend declared during the year  
**e)** Listing on Stock Exchanges:

The Company's Equity Shares of the face value of Rs. 10/- each are listed in the following Stock Exchange in India:

- i) Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400001

The Company has paid the Annual Listing Fee for the year 2021-22 and the Annual Custodian Fee to National Securities Depository India Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL).

f) Stock Code

- a. Scrip Code on BSE : 533078  
 b. Trading Symbol on BSE : MANJEERA  
 c. Demat ISIN in NSDL & CDSL for Equity Shares : INE320D01018

g) Market Price Data

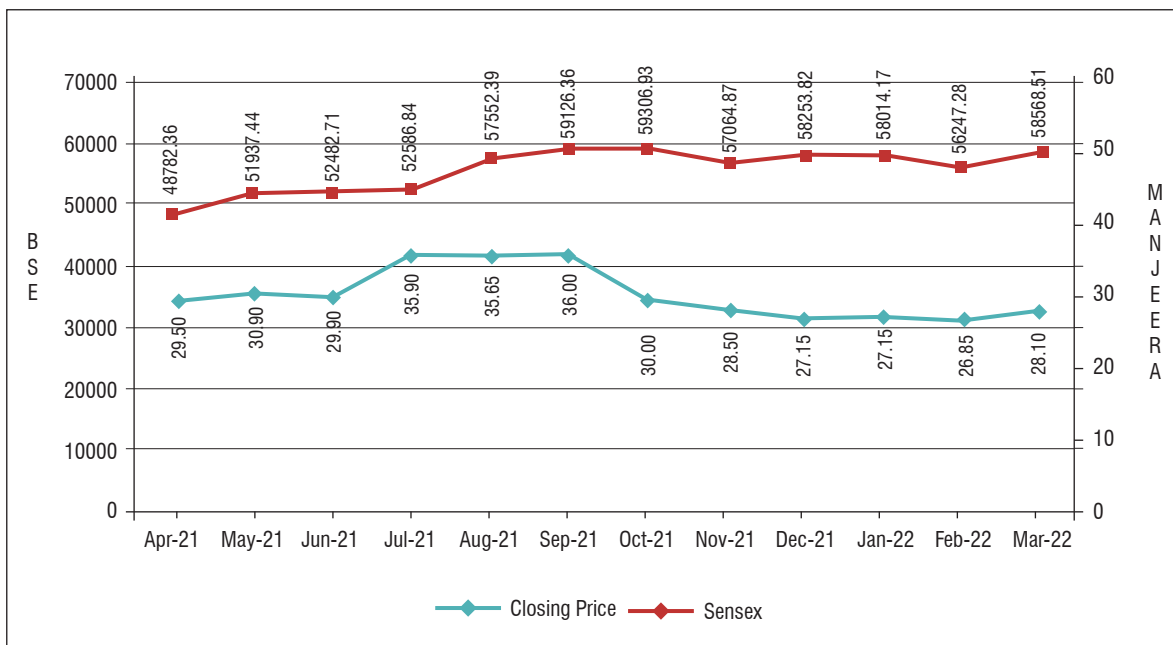
The Equity Shares of the Company are traded on Bombay Stock Exchange.

The monthly high and low of stock quotations traded on BSE during the last financial year are given below:

| Month  | High  | Low   | No of Shares Traded |
|--------|-------|-------|---------------------|
| Apr 21 | 29.5  | 28.1  | 103                 |
| May 21 | 30.95 | 30.9  | 300                 |
| Jun 21 | 30.9  | 28.5  | 407                 |
| Jul 21 | 41.65 | 29.9  | 5101                |
| Aug 21 | 39.5  | 34.15 | 534                 |
| Sep 21 | 39.65 | 32.6  | 1473                |
| Oct 21 | 34.2  | 30    | 432                 |
| Nov 21 | 30.6  | 28.5  | 763                 |
| Dec 21 | 29.9  | 27.1  | 651                 |
| Jan 22 | 31.5  | 25.8  | 1122                |
| Feb 22 | 32.7  | 25.65 | 4576                |
| Mar 22 | 30.95 | 24.3  | 3243                |

h) Performance in comparison to broad-based indices with BSE Sensex:

MANJEERA VS. SENSEX



i) Details of Registrars and Share Transfer Agents

**M/s. XL Softech Systems Limited**

Plot No. 3, Sagar Society, Banjara Hills,

Road No. 2, Hyderabad - 500 034

Tel: +91-40- 23545913/ 14/ 15, Fax: +91-40- 23553214

Email: xlfield@gmail.com

Website: [http:// www.xlsoftech.com](http://www.xlsoftech.com)

Contact Person: Mr. **R. Ram Prasad**

j) Share Transfer System

The Company's shares are compulsorily traded in the dematerialized form in the Stock Exchanges where it is listed.

Dematerialized shares are transferable through depository system while the physical share transfers are processed by the Registrar

and Share Transfer Agent, M/s. XL Softech Systems Ltd. The Share Transfer requests which are valid and complete in all respects are normally processed within 15 days of receipt of the documents. Dematerialisation requests are processed within 10 days.

The summary of the above information is placed before the Stakeholders Relationship Committee.

The Company obtains a half-yearly audit certificate with regard to compliance of share transfer formalities as required under Regulation 7(3) of the SEBI(LODR)Regulations, 2015 with Stock Exchanges and also the Reconciliation of Share Capital Audit Report from a Company Secretary in Whole-time Practice, and also files copies of the same with the Stock Exchanges.

(l) Distribution of Shareholding:

The distribution of shareholding as on 31st March, 2022 is detailed below:

| S. No | Category         |            | No. of Shareholders | Percentage(%) of Shareholders | Share Amount in Rs. | Share Amount % |
|-------|------------------|------------|---------------------|-------------------------------|---------------------|----------------|
|       | From             | To         |                     |                               |                     |                |
| 1     | Upto             | - 5,000    | 490                 | 72.38                         | 4,27,430            | 0.34           |
| 2     | 5,001            | - 10,000   | 51                  | 7.53                          | 3,54,460            | 0.28           |
| 3     | 10,001           | - 20,000   | 39                  | 5.76                          | 5,43,520            | 0.43           |
| 4     | 20,001           | - 30,000   | 12                  | 1.77                          | 2,97,090            | 0.24           |
| 5     | 30,001           | - 40,000   | 9                   | 1.33                          | 3,19,580            | 0.26           |
| 6     | 40,001           | - 50,000   | 5                   | 0.74                          | 2,37,660            | 0.19           |
| 7     | 50,001           | - 1,00,000 | 18                  | 2.66                          | 14,56,110           | 1.16           |
| 8     | 1,00,001 & above |            | 53                  | 7.83                          | 12,14,48,330        | 97.09          |
|       | Total            |            | 677                 | 100.00                        | 12,50,84,180        | 100            |

Details of Shareholding:

The details of shareholding pattern of the Company as on 31st March, 2022 is as follows:

| Category of Shareholder      | No. of shares | %     |
|------------------------------|---------------|-------|
| Promoters and Promoter group | 92,68,577     | 74.10 |
| Public:                      |               |       |
| Bodies Corporate             | 6,78,781      | 5.43  |
| Individuals                  | 25,46,965     | 20.36 |
| Non-Resident Individuals     | 14,095        | 0.11  |
| Total                        | 1,25,08,418   | 100   |

m) Dematerialization of Shares and Liquidity:

The Company's securities are being held in dematerialized form in both National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). 1,21,83,338 equity shares aggregating to 97.40% of the total Equity Capital is held in dematerialized form as on 31st March, 2022.

n) There is no American depository receipts (ADR) and / or Global depository receipts GDR holding in the Company.

o) Project Locations: Project details are as given in Management Discussion and Analysis Report.

p) Equity Shares in the Suspense Account

In accordance with the requirement of Regulations 34(3) and Schedule V Part F of SEBI (LODR) Regulations, 2015, the Company reports the following details in respect of equity shares lying in the suspense account which were issued in dematerialized form pursuant to the public issue of the Company:

| Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year. | No. of shareholders who approached the Company for transfer of shares from suspense account during the year. | No. of shareholders to whom shares were transferred from suspense account during the year. | Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year. |
|--|--|--|--|
| NIL  | NIL  | NIL  | NIL  |

\*\* Voting Rights on these shares shall remain frozen till the rightful owner of such shares claims the shares

q) Address for Communication

In the event of any queries / grievances, please contact:

Mr. Narsimha A. Mettu

Company Secretary & Compliance Officer

Manjeera Constructions Limited

#711, Manjeera Trinity Corporate,  
JNTU-Hitech City Road,  
Kukatpally, Hyderabad-500072  
Tel: 040-66479647/66479664  
E-mail ID: cs@manjeera.com

Details of dates of transfer to Investor Education and Protection Fund (IEPF):

Since the Company has not declared any dividend from the F.Y-2013-14 there is no need to transfer any amount of unclaimed dividend to Investor Education and Protection fund. The Company has already transferred the unclaimed amounts to Investor Education and Protection fund till the F.Y-2012-13.

## 12. SUBSIDIARY MONITORING FRAME WORK

The Company's subsidiaries are managed with its own Board having the rights and obligations to manage such company in the best interest of its shareholders. The Company has nominated an Independent Director on the Board of the Wholly owned subsidiary and periodically reviews the operations and financial statements of the subsidiary at its Board Meetings.

## 13. COMPLIANCE CERTIFICATE OF AUDITORS

The Company has obtained a certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance and the same is attached to this report.

## 14. COMPLIANCE REPORT ON DISCRETIONARY REQUIREMENTS UNDER REGULATION 27(1) OF THE LISTING REGULATIONS

The Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below:

- i. The Board  
Since the Chairperson is an Executive Chairman, the maintenance of office to the Non-executive Chairperson at the Company's expense is not applicable.
- ii. Shareholders' rights  
All the quarterly financial results are submitted to the Bombay stock exchange and are simultaneously placed on the website of the Company at: [www.manjeera.com](http://www.manjeera.com) apart from publishing the same in the newspapers.
- iii. Modified opinion(s) in audit report:  
There is no modified opinion in the Audit Report for Standalone Financial Statement. However, a qualified opinion on Consolidated Financial Statements is issued by the Auditor.
- iv. Separate posts of Chairperson and Chief Executive Officer:  
The Company does not have separate persons to the post of chairperson and Chief Executive Officer.
- v. Reporting of internal auditor:  
The Internal auditor reports to the Chairman of the Audit Committee directly.

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause 10(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members  
Manjeera Constructions Ltd.  
#711, Manjeera Trinity Corporate,  
JNTU-Hitech City Road  
Kukatpally, Hyderabad – 500072.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Manjeera Constructions Ltd having CIN (Corporate Identification Number) L45200TG1987PLC007228 and having registered office at #711, Manjeera Trinity Corporate, JNTU-Hitech City Road Kukatpally, Hyderabad - 500072 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

| S No | Name of Director                 | DIN      | Date of Appointment in Company* |
|------|----------------------------------|----------|---------------------------------|
| 1.   | Lokamanya Subbaiah Sreshti Dodda | 00147325 | January 03, 2008                |
| 2.   | Gajjala Yoganand                 | 00850735 | March 2, 1987                   |
| 3.   | Sudhakar Gande                   | 00987566 | June 29, 2020                   |
| 4.   | Krishna Murty Kompella           | 01466390 | June 18, 1997                   |
| 5.   | Gajjala Vivekanand               | 02872026 | September 30, 2010              |
| 6.   | Gajjala Veena                    | 06380343 | January 28, 2019                |

\*Note—Date of appointment of all the directors are original date of appointment as per MCA records.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For R&A Associates  
**(G Raghu Babu)**  
Partner  
FCS No.# 4448, C.P. # 2820  
UDIN:F004448D000786801

Date : 12<sup>th</sup> of August, 2022  
Place: Hyderabad



## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members  
Manjeera Constructions Limited

### INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with terms of our engagement with Manjeera Constructions Limited ('the Company')
2. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31 2022, as stipulated in Regulations 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### MANAGEMENT'S RESPONSIBILITY

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### AUDITOR'S RESPONSIBILITY

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

### OPINION

7. Based on our examination of the relevant records and according to the information and explanation provided to us and the representations provided by the Management, we certify that the Company has complied with conditions of Corporate Governance as stipulated in Regulations 15(2) of the Listing Regulations during the year ended March 31, 2022.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For M. BhaskaraRao & Co.,  
Chartered Accountants  
(Firm's Registration No. 000459S)

P. Swathi  
Partner  
(Membership No. 513946)  
UDIN: 22153946AOWVSK6985

Hyderabad, Dated August 12, 2022

## MD / CEO's DECLARATION

I, Gajjala Yoganand, Chairman and Managing Director do hereby declare that, pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the members of the Board and the Senior Management Personnel of the Company have furnished their affirmation of compliance with the Code of Conduct of the Company in respect of the financial year ended 31<sup>st</sup> March, 2022.

Place : Hyderabad  
Date : 12.08.2022

Gajjala Yoganand  
Chairman and Managing Director

## CEO/CFO Certification

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

In accordance Regulation 17(8) of SEBI (LODR) Regulations, 2015 we, Gajjala Yoganand, Managing Director and Sudhir Kilaru, Chief Financial Officer of Manjeera Constructions Ltd. (the Company) hereby certify that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended March, 2022 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We are responsible for establishing and maintaining internal controls for financial Reporting in the Company and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee that:
  - (i) There has not been any significant changes in internal control over financial reporting during the year;
  - (ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - (iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**Gajjala Yoganand**  
Managing Director

**Sudhir Kilaru**  
Chief Financial Officer

Place : Hyderabad  
Date : 12.08.2022

# 1

## INDEPENDENT AUDITOR'S REPORT

To

The Members of **Manjeera Constructions Limited**

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone Financial Statements of **Manjeera Constructions Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Change in Equity and the Statement of Cash Flow for the year then ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information ("here after referred to as "the standalone financial statements").

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

#### Basis for Opinion

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

#### Emphasis of Matter:

We draw attention to Note: 50 of the standalone financial statements which describes the uncertainties and the management's assessment of the financial impact due to lock down and other restrictions and conditions related to CoVID – 19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent on future economic developments and circumstances as they evolve.

Our opinion is not modified in this matter.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

| S.No | Key Audit Matters   | Auditors Response  |
|------|---|--|
| 1    | <p><b>Carrying values of Inventories (Construction work in Progress and Stock in Trade)</b></p> <p>There is a risk that the valuation of inventory may be misstated as it involves the determination of net realizable value (NRV) and estimated total construction cost of completion of each of the projects which is an area of judgement.</p> <p>Refer Notes 2.2.2 to the Standalone Financial Statements</p> | <p><b>Principal audit procedures</b></p> <p>We assessed the Company's process for the valuation of inventories.</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of the internal controls relating to the valuation of inventories.</li> <li>• Tested the operating effectiveness of controls for the review of estimates involved for the expected cost of completion of projects including construction cost incurred, construction budgets and net realizable value. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls.</li> </ul> <p style="padding-left: 40px;">Selected a sample of project specific inventories and performed the procedures around:</p> <ul style="list-style-type: none"> <li>• Construction costs incurred for the project specific inventories by tracing to the supporting documents, estimated total construction cost to be incurred for completing the construction of the project and corroborated the same with the reports from external supervising engineers, where applicable. Obtained the company's assessment of NRV for the project specific inventories.</li> </ul> |

|   |  |  |
|---|--|--|
|   |  | <ul style="list-style-type: none"> <li>The expected net amounts to be realized from the sale of inventory in the ordinary course of business.</li> </ul>   |
| 2 | <p><b>Fair Valuation of Non-current Investments</b></p> <p>The investments which are carried at Amortised cost involves assumptions and estimates in evaluation of inputs used for the purpose of fair valuation.</p> <p>There is a risk that these investments are subject to diminution in value of investments as at March 31, 2022</p> <p>Refer Notes 2.2.15a and 4 to the Standalone Financial Statements</p> | <p><b>Principal audit procedures</b></p> <p>We assessed the Company’s valuation methodology of non-current investments carried at amortised cost.</p> <ul style="list-style-type: none"> <li>Evaluated the design of the internal controls relating to the valuation of non-current investments at amortised cost.</li> <li>Tested the operating effectiveness of controls for the review of assumptions and estimates used in evaluation of inputs for the purpose of fair valuation. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls.</li> </ul> <p>For a sample of non-current investments at amortised cost we performed the following procedures:</p> <ul style="list-style-type: none"> <li>Reviewed the latest financial statements of the investee company and evaluated the realisable value of the assets net of liabilities and tested the impairment requirements.</li> </ul> |

**Information Other than the Standalone Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Corporate Governance Report, Annual Report, but does not include the standalone financial statements and our auditor’s report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

## **Management's Responsibility for the Standalone Financial Statements**

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

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditors' Responsibility for the Audit of Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting

and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Companies Act, 2013, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of the account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors 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 Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- 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 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note No. 32 to the standalone financial statements.
  - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses and
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company for the year ended March 31, 2022.
  - iv.
    - (a) the Management has represented that, to the best of its knowledge and belief, 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 company to or in any other person or entity, 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 company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) the Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company 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; and
    - (c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us



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 mis-statement.

- v. The Company has not declared or paid any dividend during the

**For M Bhaskara Rao & Co**  
Chartered Accountants  
Firm Registration No: 000 459 S

P. Swathi  
Partner  
Membership No.513946  
UDIN:

Place: Hyderabad  
Date: May 30, 2022

**Re: Manjeera Constructions Limited**

Annexure A to the Independent Auditors' Report

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

Based on the audit procedure performed for the purpose of reporting a true and fair view on the financial statements of **Manjeera Constructions Limited** ('the company) and taking into consideration the information and explanations given to us and the books of account and other records examined by us in a normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a)
    - A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
    - B. The Company has maintained proper records showing full particulars of Intangible assets.
  - (b) The Company's property, plant and equipment have been physically verified by the management during the year but there is a regular programme of verification which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. The Company has reported that no material discrepancies were noticed on such verification during the year.
  - (c) The title deeds of immovable properties disclosed in the standalone financial statements are held in the name of the Company.
  - (d) The Company has not revalued its Property, plant and equipment or Intangible assets or both during the year.
  - (e) We have not noticed nor have been informed of initiating any proceedings or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)
- a. The management has conducted the physical verification of inventories at reasonable intervals during the year. The Company has reported that no material discrepancies were noticed on such verification during the year..
  - b. The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) During the year, the Company has made investments in Limited Liability Partnership, granted unsecured loans to companies and not provided any guarantee or security to firms or any other parties.
- We further report that :
- a. The company during the year has advanced loans to the companies

| Particulars   | Amount (Rs. in Lakhs) |
|---|-----------------------|
| <b>(A) Aggregate amount granted during the year</b>                               |                       |
| -Subsidiary(Manjeera Retail Holdings private Limited)                             | 1211.26               |
| -Associate(Manjeera Hotels and Resorts Private Limited)                           | 4967.67               |
| <b>(B) Balance outstanding as at balance sheet date in respect of above cases</b> |                       |
| -Subsidiary(Manjeera Retail Holdings private Limited)                             | 6436.36               |
| -Associate(Manjeera Hotels and Resorts Private Limited)                           | 2547.28               |

- b. The investments made, the terms and conditions of the grant of all the loans and advances in the nature of loans in the earlier years and continued in the current year and also for the new loans given *prima facie*, not prejudicial to the interest of the Company.
- c. In respect of the loans and advances in the nature of loans granted in earlier year and continued in the current year, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- d. In respect of the loans and advances in the nature of loans granted in earlier years and continued in the current year, there is no overdue amounts.
- e. There is a loan given falling due during the year, which has been renewed.
- f. The Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) The provision of sections 185 and 186 of the Companies Act, 2013 are not applicable to the Company being the company is engaged in providing the infrastructural facilities. Refer Note 39 of the standalone financial statements.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from public to which the directions issued by the Reserve Bank of India and the provisions of Section 73 to Section 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under, where applicable, during the year. Hence, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) Amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance,

Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. There were no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

| <b>Name of the Statute</b> | <b>Nature of Dues</b> | <b>Amount (in Rs.)</b> | <b>Period</b>            | <b>Forum where dispute is pending</b> |
|----------------------------|-----------------------|------------------------|--------------------------|---------------------------------------|
| Goods and Service Tax Act  | GST                   | 59,97,033              | Financial Year 2017-2018 | Deputy Commissioner                   |
| Goods and Service Tax Act  | GST                   | 10,08,426              | Financial Year 2018-2019 | Deputy Commissioner                   |
| Goods and Service Tax Act  | GST                   | 28,61,811              | Financial Year 2019-2020 | Deputy Commissioner                   |

- (viii) There were no transactions which are not recorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix)

- The Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and other lenders. The Company did not have any dues to Government, nor has it issued any debentures as at the balance sheet date.
- The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- The Company has obtained term loans and were applied for the purpose for which the loans were obtained.
- The funds raised by the company on short term basis are not utilized for long term purposes.
- The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013.
- The Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013.

(x)

- The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

- b. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi)

- a. No material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.
- b. No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report.
- c. As represented to us by the management, there are no whistle blower complaints received by the company during the year.

(xii) The Company is not a Nidhi Company. Accordingly, clause 3(xii) (a),(b)&(c) of the Order is not applicable.

(xiii) All the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards

(xiv) The company does not have an internal audit system commensurate with the size and nature of its business, the company is not in compliance with the provisions of sec 138 of Companies Act, 2013.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)

- a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- b. The Company has not conducted any Non banking Financial or Housing Finance activities during the year..
- c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India..
- d. The Company's Group companies has no CIC as part of the Group.

- (xvii) The Company has not incurred cash loss in the current financial year and has incurred a cash loss of Rs.732 Lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) To the best of our knowledge and according to the information and explanations given to us and the examination of books of account and other records of the Company carried out in accordance with the generally accepted auditing practices in India, the provisions of section 135 of the Act is not applicable to the Company. Hence reporting under clause 3(xx) (a) and (b) of the Order is not applicable.

For M Bhaskara Rao & Co  
Chartered Accountants  
Firm Registration No: 000 459 S

P. Swathi  
Partner  
Membership No. 513946  
UDIN: 21201570AAAAEA6181

Place: Hyderabad  
Date: May 30, 2022

**Re: Manjeera Constructions Limited**  
**Annexure B to the Independent Auditors' report**

(Referred to in paragraph '2.f' under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of **Manjeera Constructions Limited** of even date)

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

We have audited the internal financial controls over financial reporting of **Manjeera Constructions Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

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

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

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

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

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2022.

For M Bhaskara Rao & Co  
Chartered Accountants  
Firm Registration No: 000 459 S

P. Swathi  
Partner  
Membership No. 513946  
UDIN:

Place: Hyderabad  
Date: May 30, 2022



MANJEERA CONSTRUCTIONS LIMITED

CIN: L45200TG1987PLC007228

STANDALONE BALANCE SHEET AS AT MARCH 31, 2022

(All amounts in Lakhs, except share data and where otherwise stated)

| Particulars   | NOTE | AS AT<br>MARCH 31, 2022 | AS AT<br>MARCH 31, 2021 |
|---|------|-------------------------|-------------------------|
| <b>ASSETS</b>   |      |                         |                         |
| <b>Non Current Assets</b>   |      |                         |                         |
| Property, Plant and Equipment   | 3    | 170.24                  | 199.01                  |
| Investment Property   | 3.1  | 376.90                  | 875.64                  |
| Other Intangible Assets   | 3.2  | 7.28                    | 5.30                    |
| <b>Financial Assets</b>   |      |                         |                         |
| Investments   | 4    | 12,240.57               | 12,128.61               |
| Bank balances   | 5    | 43.54                   | 112.14                  |
| Other Financial Assets  | 6    | 1,827.28                | 2,051.30                |
| Loans&Advances  | 13   | 8,983.64                | 5,225.10                |
| Non Current Tax Assets (Net)  | 7    | 206.89                  | 261.47                  |
| Deferred Tax Assets (Net)   | 8    | 134.83                  | 89.15                   |
| Other Non Current Assets  | 9    | 379.08                  | 13.40                   |
| <b>Total Non - Current Assets</b>   |      | <b>24,370.26</b>        | <b>20,961.11</b>        |
| <b>Current Assets</b>   |      |                         |                         |
| Inventories   | 10   | 25,342.76               | 7,692.57                |
| <b>Financial Assets</b>   |      |                         |                         |
| Trade Receivables   | 11   | 2,836.71                | 2,353.18                |
| Cash and Cash Equivalents   | 12.1 | 312.49                  | 75.96                   |
| Bank balances other than above  | 12.2 | 149.03                  | 154.88                  |
| Other Financial Assets  | 14   | 371.62                  | 284.26                  |
| Other Current Assets  | 15   | 2,186.46                | 2,117.58                |
| <b>Total Current Assets</b>   |      | <b>31,199.08</b>        | <b>12,678.43</b>        |
| <b>Total Assets</b>   |      | <b>55,569.34</b>        | <b>33,639.54</b>        |
| <b>EQUITY AND LIABILITIES</b>   |      |                         |                         |
| <b>Equity</b>   |      |                         |                         |
| Equity Share Capital  | 16   | 1,250.84                | 1,250.84                |
| Other Equity  | 17   | 8,366.35                | 8,300.70                |
| <b>Total Equity</b>   |      | <b>9,617.19</b>         | <b>9,551.54</b>         |
| <b>Liabilities</b>  |      |                         |                         |
| <b>Non Current Liabilities</b>  |      |                         |                         |
| <b>Financial Liabilities</b>  |      |                         |                         |
| Borrowings  | 18   | 11,803.95               | 18,484.75               |
| Provisions  | 19   | 24.30                   | 20.90                   |
| Other non-current liabilities   | 20   | 26,592.40               | -                       |
| <b>Total Non Current Liabilities</b>  |      | <b>38,420.65</b>        | <b>18,505.65</b>        |
| <b>Current Liabilities</b>  |      |                         |                         |
| <b>Financial Liabilities</b>  |      |                         |                         |
| Borrowings  | 21   | 2,800.93                | 870.24                  |
| <b>Trade Payables</b>   |      |                         |                         |
| Total outstanding dues of micro and small enterprises                         |      | 1.09                    | 4.39                    |
| Total outstanding dues of creditors other than micro and small enterprises    |      | 3,842.98                | 3,711.07                |
| Other Financial Liabilities   | 23   | 318.62                  | 222.48                  |
| Provisions  | 24   | 3.02                    | 1.44                    |
| Other Current Liabilities   | 25   | 564.84                  | 772.72                  |
| <b>Total Current Liabilities</b>  |      | <b>7,531.49</b>         | <b>5,582.35</b>         |
| <b>Total Equity and Liabilities</b>   |      | <b>55,569.33</b>        | <b>33,639.53</b>        |
| <b>Accompanying notes forming part of the standalone financial statements</b> |      |                         |                         |

As per our report of even date attached

M. Bhaskara Rao & Co

CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of

MANJEERA CONSTRUCTIONS LIMITED

G Yoganand  
Managing Director  
DIN: 00850735

K Krishna Murthy  
Director  
DIN: 01466390

P Swathi

Partner

M.No. 513946

Hyderabad, May 30, 2022

CH N V Rambabu  
Company Secretary  
M.No - A44763

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Lakhs , except share data and where otherwise stated)

| Particulars  | NOTE | YEAR ENDED<br>MARCH 31, 2022 | YEAR ENDED<br>MARCH 31, 2021 |
|--|------|------------------------------|------------------------------|
| <b>INCOME</b>  |      |                              |                              |
| Revenue from Operations  | 26   | 4,033.12                     | 3,132.25                     |
| Other Income   | 27   | 1,097.86                     | 703.17                       |
| <b>Total Income (A)</b>  |      | <b>5,130.98</b>              | <b>3,835.42</b>              |
| <b>EXPENSES</b>  |      |                              |                              |
| Cost of Sales  | 28   | 3,359.13                     | 2,589.60                     |
| Employee Benefits Expense  | 29   | 155.15                       | 165.05                       |
| Finance Costs  | 30   | 1,364.01                     | 1,779.91                     |
| Depreciation and Amortization Expense (Note 3, 3.1 and 3.2)            | 3    | 41.29                        | 31.87                        |
| Other Expense  | 31   | 154.76                       | 193.19                       |
| <b>Total Expenses (B)</b>  |      | <b>5,074.33</b>              | <b>4,759.62</b>              |
| <b>Profit Before Tax (A-B=C)</b>                                       |      | <b>56.65</b>                 | <b>(924.20)</b>              |
| <b>Tax expenses</b>  | 32   |                              |                              |
| Current Tax  |      | -                            | -                            |
| Incometax relating to earlier periods                                  |      | 36.97                        | -                            |
| Deferred Tax   |      | (45.76)                      | (160.26)                     |
| <b>Total Tax expenses (D)</b>  |      | <b>(8.79)</b>                | <b>(160.26)</b>              |
| <b>Profit for the year (C-D=E)</b>                                     |      | <b>65.44</b>                 | <b>(763.94)</b>              |
| <b>Other comprehensive income</b>                                      |      |                              |                              |
| Items that will not be reclassified to profit or loss                  |      |                              |                              |
| Remeasurements of the defined benefit plans                            |      | 0.29                         | 14.41                        |
| Income tax on above  |      | (0.08)                       | (4.01)                       |
| <b>Other comprehensive income for the year. (F)</b>                    |      | <b>0.21</b>                  | <b>10.40</b>                 |
| <b>Total comprehensive income for the year. (E+F=G)</b>                |      | <b>65.65</b>                 | <b>(753.54)</b>              |
| <b>Earnings per share of face value of Rs. 10/- each.</b>              |      |                              |                              |
| Basic and Diluted - Rs.  | 34   | <b>0.52</b>                  | <b>(6.11)</b>                |
| Accompanying notes forming part of the standalone financial statements |      |                              |                              |

As per our report of even date attached

M. Bhaskara Rao &amp; Co

CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of

MANJEERA CONSTRUCTIONS LIMITED

G Yoganand  
Managing Director  
DIN: 00850735K Krishna Murthy  
Director  
DIN: 01466390P Swathi  
Partner  
M.No. 513946CH N V Rambabu  
Company Secretary  
M.No - A44763

Hyderabad, May 30, 2022



**MANJEERA CONSTRUCTIONS LIMITED**  
 Regd. Office : 711, Manjeera Trinity Corporate, KPHB Colony, Hyderabad - 500 072  
 CIN No.:L45200TG1987PLC007228; Phones 23735194, 23743017, 23730231; Website:www.manjeera.com  
**Audited Statement of Cash Flows for the Year Ended March 31, 2022**

(Rs. In Lakhs)

| Particulars   | Year Ended<br>31-Mar-22 | Year Ended<br>31-Mar-21 |
|---|-------------------------|-------------------------|
| <b>A. Cash flows from operating activities</b>  |                         |                         |
| Profit before tax   | 56.65                   | (924.20)                |
| <b>Adjustments for:</b>   |                         |                         |
| Depreciation and amortisation expense   | 41.29                   | 31.87                   |
| Finance costs   | 1,364.01                | 1,779.91                |
| Interest income   | (764.96)                | (609.84)                |
| Profit on sale of fixed assets  | (219.70)                | (388.66)                |
| Deferred Expenditure Written off  | 10.00                   | 36.11                   |
| Security deposits (Fair Value Adjustments)  | (30.52)                 | (40.32)                 |
|   | <b>400.12</b>           | <b>809.07</b>           |
| <b>Operating profit before working capital changes</b>  | <b>456.77</b>           | <b>(115.12)</b>         |
| <b>Changes in working capital:</b>  |                         |                         |
| Adjustments for (increase) / decrease in operating assets:  |                         |                         |
| Decrease/(Increase) in Inventories  | (17,650.20)             | (178.59)                |
| (Increase)/ decrease in Trade receivables   | (483.52)                | (179.42)                |
| Decrease/(Increase) in Loans  | (3,758.54)              | 138.01                  |
| (Increase)/decrease in other financial assets   | 254.54                  | (178.29)                |
| (Increase)/ decrease in other Other Current Assets  | (434.57)                | (291.63)                |
| <b>Adjustments for increase / (decrease) in operating liabilities:</b>  |                         |                         |
| Increase / (decrease) in Trade payables   | 128.61                  | 24.46                   |
| Increase / (decrease) in other current liabilities  | (295.24)                | (259.95)                |
| (Decrease) / Increase in Other Financial Liabilities  | 77.31                   | (1,312.93)              |
| Increase / (decrease) in Borrowings   | 1,939.52                |                         |
| Increase / (decrease) in Provisions   | 5.28                    | 3.76                    |
|   | <b>(20,216.81)</b>      | <b>(2,234.58)</b>       |
| Cash generated from operations  | <b>(19,760.04)</b>      | <b>(2,349.70)</b>       |
| Net income tax (Paid)/Refunds   | 17.60                   | (75.19)                 |
| <b>Net cash flow from operating activities (A)</b>  | <b>(19,742.43)</b>      | <b>(2,424.89)</b>       |
| <b>B. Cash flow from investing activities</b>   |                         |                         |
| Capital expenditure for Property, Plant and Equipment, Investment Property, Intangible Assets including CWIP, Investments | 372.27                  | 447.04                  |
| Proceeds from disposal of Property, Plant and Equipment, Investment Property  | 219.70                  | 388.66                  |
| Bank balances not considered as Cash and cash equivalents   | 68.60                   | (16.72)                 |
| Interest Received   | 764.96                  | 609.84                  |
| <b>Net cash flow from investing activities (B)</b>  | <b>1,425.53</b>         | <b>1,428.82</b>         |
| <b>C. Cash flow from financing activities</b>   |                         |                         |
| Proceeds from Long term Borrowings  | 455.80                  | 567.00                  |
| Repayment of Long term borrowings   | (7,136.60)              | 2,270.06                |
| Proceeds from Others  | 26,592.40               | -                       |
| Finance cost  | (1,364.01)              | (1,779.91)              |
| <b>Net cash flow used in financing activities (C)</b>   | <b>18,547.59</b>        | <b>1,057.15</b>         |
| <b>Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)</b>   | <b>230.68</b>           | <b>61.08</b>            |
| Cash and cash equivalents at the beginning of the year  | 230.84                  | 169.76                  |
| <b>Cash and Cash Equivalents at the end of the year (Refer note 12)</b>   | <b>461.52</b>           | <b>230.84</b>           |
| <b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>  |                         |                         |
| Cash and Cash Equivalents   | 312.49                  | 75.96                   |
| Bank balances other than above  | 149.03                  | 154.88                  |
| <b>Cash and cash equivalents at the end of the period</b>   | <b>461.52</b>           | <b>230.84</b>           |
|   | <b>461.52</b>           | <b>230.84</b>           |

As per our report of even date attached  
 M. Bhaskara Rao & Co  
 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of  
 MANJEERA CONSTRUCTIONS LIMITED

G Yoganand  
 Managing Director  
 DIN: 00850735

K Krishna Murthy  
 Director  
 DIN: 01466390

P Swathi  
 Partner  
 M.No. 513946

CH N V Rambabu  
 Company Secretary  
 M.No - A44763

Hyderabad, May 30, 2022

MANJEERA CONSTRUCTIONS LIMITED

CIN: L45200TG1987PLC007228

Standalone Statement of Changes in Equity for THE YEAR ENDED March 31, 2022

(All amounts in Lakhs, except share data and where otherwise stated)

A. Equity share capital

|   | Number of shares | Amount   |
|---|------------------|----------|
| Balance as at March 31, 2020                | 1,25,08,418      | 1,250.84 |
| Add: Equity shares allotted during the year | -                | -        |
| Balance as at March 31, 2021                | 1,25,08,418      | 1,250.84 |
| Add: Equity shares allotted during the year | -                | -        |
| Balance as at March 31, 2022                | 1,25,08,418      | 1,250.84 |

B. Other Equity

Outstanding as at 31st Mar'2022

|   | Securities Premium | General Reserve | Retained Earnings | Other items of Other Comprehensive Income (specify nature) | Total           |
|---|--------------------|-----------------|-------------------|--|-----------------|
| Balance at the beginning of the current reporting period          | 1,501.01           | 270.00          | 6,509.12          | 20.57  | 8,300.70        |
| Changes in accounting policy or prior period errors               | -                  | -               | -                 | -  | -               |
| Restated balance at the beginning of the current reporting period | -                  | -               | -                 | -  | -               |
| Total Comprehensive Income for the current year                   | -                  | -               | -                 | 0.21   | 0.21            |
| Dividends   | -                  | -               | -                 | -  | -               |
| Transfer to retained earnings                                     | -                  | -               | 65.44             | -  | 65.44           |
| Any other change (to be specified)                                | -                  | -               | -                 | -  | -               |
| <b>Balance at the end of the current reporting period</b>         | <b>1,501.01</b>    | <b>270.00</b>   | <b>6,574.56</b>   | <b>20.78</b>   | <b>8,366.35</b> |

Outstanding as at 31st Mar'2021

|   | Securities Premium | General Reserve | Retained Earnings | Other items of Other Comprehensive Income (Actuarial gain/Loss) | Total           |
|---|--------------------|-----------------|-------------------|---|-----------------|
| Balance at the beginning of the current reporting period          | 1,501.01           | 270.00          | 7,273.06          | 10.17   | 9,054.24        |
| Changes in accounting policy or prior period errors               | -                  | -               | -                 | -   | -               |
| Restated balance at the beginning of the current reporting period | -                  | -               | -                 | -   | -               |
| Total Comprehensive Income for the current year                   | -                  | -               | -763.94           | 10.40   | -753.54         |
| Dividends   | -                  | -               | -                 | -   | -               |
| Transfer to retained earnings                                     | -                  | -               | -                 | -   | -               |
| Any other change (to be specified)                                | -                  | -               | -                 | -   | -               |
| <b>Balance at the end of the current reporting period</b>         | <b>1,501.01</b>    | <b>270.00</b>   | <b>6,509.12</b>   | <b>20.57</b>  | <b>8,300.70</b> |

As per our report of even date attached  
M BHASKARA RAO & Co.  
Chartered Accountants

For and on behalf of the Board of Directors of  
MANJEERA CONSTRUCTIONS LIMITED

G Yoganand  
Managing Director  
DIN: 00850735

K Krishna Murthy  
Director  
DIN: 01466390

P Swathi  
Partner  
M.No. 513946

Hyderabad, May 30, 2022

CH N V Rambabu  
Company Secretary  
M.No.A44763

## MANJEERA CONSTRUCTIONS LIMITED

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

### 1 Corporate Information

Manjeera Constructions Limited is a company registered in India under the companies act,1956, having its registered office at 711, Manjeera Trinity Corporate, JNTU and Hitech City Road, KPHB Colony, Hyderabad - 500072 is in the business of property development, civil construction contracts, infrastructure projects development and Windmill Energy Production.

### 2 Statement of Compliance, Basis of preparation and presentation and Significant Accounting Policies

#### 2.1 Statement of compliance and Basis of preparation

2.1.a The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

2.1.b The standalone financial statements were authorised for issue by the Company's Board of Directors at its meeting held on May 30, 2022.

2.1.c Details of the Company's accounting policies are included here under in this Note.

#### 2.1.d Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded-off to two decimal places to the nearest Lakhs, unless otherwise indicated.

#### 2.1.e Basis of measurement:

The standalone financial statements have been prepared on the historical cost basis except for the following items:

| Items                                    | Measurement basis   |
|--|---|
| Certain financial assets and liabilities | Fair value  |
| Share-based payments                     | Fair value  |
| Net defined benefit (asset)/ liability   | Fair value of plan assets less present value of defined benefit obligations |

#### 2.1.f Measurement of fair values

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

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

The Principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level inputs that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level inputs that is significant to the fair value measurement is unobservable.

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

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

#### 2.1.g Use of estimates:

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

##### Estimates:

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

##### Judgements

- a Critical judgements in applying accounting policies: The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statement.

**Key sources of estimation uncertainty:** The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

| Items requiring significant estimate   | Assumption and estimation uncertainty   |
|--|---|
| Provision for doubtful receivables (Refer Note no 11)  | The company makes provision for Expected Credit loss based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.   |
| Estimation of net realisable value of inventories (Refer Note no 10)                                       | Inventories are stated at the lower of cost and Fair value. In estimating the net realisable value / Fair value of Inventories the Company makes an estimate of future selling prices and costs necessary to make the sale.   |
| Provision for employee benefits (Refer Note no 18)   | The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting period . These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.  |
| Provision for taxes  | Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions.  |
| Useful lives of property, plant and equipment (Refer Note no 3)  | The company reviews the estimated useful lives of property plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.  |
| Fair value measurements and valuation processes  | In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation . Finance team works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the valuation committee's findings to the board of fluctuations in the fair value of the assets and liabilities.   |
| Determination of the timing of revenue recognition on the sale of completed and under development property | The Company has evaluated and generally concluded that the recognition of revenue over the period of time criteria are not met owing to non-enforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time. The Company has further evaluated and concluded that based on the analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate.   |
| Determination of performance obligations   | With respect to the sale of property, the Company has evaluated and concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the Company is responsible for all these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Company accounts for them as a single performance obligation because they are not distinct in the context of the contract. |

### 2.1.h Current Versus Non-current classification

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

i) An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

ii) All other assets are classified as non-current.

iii) A liability is classified as current when:

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

iv) All other liabilities are classified as non-current.

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

## 2.2 Significant accounting policies

### 2.2.1 Revenue Recognition

Revenue is recognised to the extent that it is probable, that the economic benefits will flow to the Company and the collectability is reasonably assured.

#### 2.2.1.a Real estate sales - Ind AS 115 - Revenue from contracts with customers

The Company develops and sells residential properties. Revenue from contracts is recognised when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer and the development of the property is completed. The revenue is measured at the transaction price agreed under the contract.

**2.2.1.b Interest income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**2.2.1.c On Construction Contracts (Undertaken as Contractors)**

The Company follows percentage completions methods for accounting of Constructions Contracts undertaken

**2.2.1.d** Windmill energy sales are accounted on sales accrued

**2.2.1.e** Price escalation is carried out in the year of settlement of claims/ bills.

**2.2.1.f** Dividend income is accounted when the right to receive dividend is established.

**2.2.2 Inventories:**

Inventory comprises properties under development

Properties under development consists of cost of land, land development expenses, construction cost, interest and financial charges and other expenses and is valued at lower of cost and net realizable value.

**2.2.3 Employee Benefits:**

Employee benefits include provident fund, gratuity fund and compensated absences.

**2.2.3.a Provident Fund**

Retirement benefit in the form of a provident fund is a defined contribution scheme and contributions are charged to the Statement of Profit and Loss of the Year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective authorities.

**2.2.3.b Gratuity**

Gratuity is a post - employment defined benefit obligation

Liability on account of gratuity is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date and charged to Statement of Profit and Loss. Actuarial gains and losses are recognized in the Statement of Profit and Loss - Other Comprehensive Income, in the period in which such gains or losses arises.

**2.2.3.c Compensated Absences**

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year- end. Actuarial gains and losses are immediately taken to the Statement of Profit and Loss.

**2.2.4 Borrowing Costs:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use are capitalized as part of the cost of such assets. Interest income earned on the temporary investment of specific borrowings pending its expenditure on qualifying assets is deducted from the costs of qualifying assets. Other borrowing costs are recognised as an expense, in the period in which they are incurred.

**2.2.5 Taxation**

Income tax expense represents sum of the tax currently payable and deferred tax

**Current Tax:** Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

**Deferred tax**

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

**Current and deferred tax for the year**

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

#### 2.2.6 Property, plant and equipment:

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost of Property, plant and equipment comprises of purchase price, applicable duties and taxes, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use."The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is required to be included in the cost of the respective item of property plant and equipment" and "Cost of major inspections is recognised in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognised"

Property, Plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

An item of property, plant and equipment is derecognised 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 property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

#### 2.2.7 Investment Property:

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the Ind AS16's requirement for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised.

#### 2.2.8 Depreciation and Amortisation:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value.

Depreciation on Property, Plant and equipment and Investment Property has been provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013

Intangible assets acquired separately are measured on initial recognition cost and are amortized on Straight Line Method based on the estimated useful economic life.

The amortized period and amortization method are reviewed at each financial year end.

#### 2.2.9 Impairment of Assets:

Intangible assets and property, plant and equipment 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 CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

#### 2.2.10 Foreign currency transactions and translation

##### Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

##### Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

##### Exchange differences

Exchange differences arising on the settlement of monetary items or on the reporting of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as gains or losses in the year in which they arise.

#### 2.2.11 Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise of cash at bank and on hand and include short term investments with an original maturity of three months or less.

#### 2.2.12 Segment reporting

##### Identification of Segments

The Company is primarily engaged in the businesses of real estate development and engaged in the business of undertaking the infra Projects which as per Ind AS 108 on 'Operating Segments' and both of them are considered to be the reportable business segments. The Company is operating in India which is considered as single geographical segment.

#### 2.2.13 Earnings Per Share :

Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.



#### 2.2.14 Provisions, Contingent Liabilities and Contingent Assets :

The Company recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are disclosed in the financial statements when flow of economic benefit is probable.

#### 2.2.15 Financial instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### 2.2.15.a Financial assets

Financial asset is

1. Cash / Equity Instrument of another Entity,
2. Contractual right to -
  - a) receive Cash / another Financial Asset from another Entity, or
  - b) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.

##### Subsequent measurement of the financial assets

###### (i) Financial assets carried at amortised cost

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

###### (ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in case where the company has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

###### (iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

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

#### 2.2.15.b Financial liabilities

Financial liability is

Contractual Obligation to

- a) deliver Cash or another Financial Asset to another Entity, or
- b) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially unfavourable to the Entity.

##### Subsequent measurement of the financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

##### Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### 2.2.16 Cash Flow Statement:

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

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### 2.2.17 Exceptional Items:

Exceptional Items represents the nature of transactions which are not in recurring nature during the ordinary course of business but lead to increase / decrease in profit / loss for the year.

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lakhs, except share data and where otherwise stated)

**Note 3**

**Property, Plant & Equipment**

**Carrying Amount:**

|                      | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|----------------------|-------------------------|-------------------------|
| Freehold Land        | 1.68                    | 1.68                    |
| Plant and Machinery  | 113.62                  | 125.93                  |
| Electrical Equipment | 3.36                    | 4.01                    |
| Furniture & Fixtures | 27.69                   | 26.16                   |
| Vehicles             | 20.04                   | 37.55                   |
| Office Equipment     | 1.00                    | 1.09                    |
| Computers            | 2.85                    | 2.59                    |
| <b>Total</b>         | <b>170.24</b>           | <b>199.01</b>           |

**Cost or deemed Cost:**

|                                     | Land | Plant and<br>Machinery | Electrical<br>Equipments | Furniture &<br>Fixtures | Vehicles | Office<br>Equipment | Computers | Total  |
|-------------------------------------|------|------------------------|--------------------------|-------------------------|----------|---------------------|-----------|--------|
| <b>Balance as at March 31, 2020</b> | 1.68 | 557.47                 | 22.94                    | 59.96                   | 133.06   | 20.81               | 47.06     | 842.97 |
| Additions                           | -    | -                      | 0.02                     | -                       | -        | 0.30                | 0.29      | 0.62   |
| Disposals/Adjustments               | -    | -                      | -                        | -                       | -        | -                   | -         | -      |
| <b>Balance as at March 31, 2021</b> | 1.68 | 557.47                 | 22.96                    | 59.96                   | 133.06   | 21.11               | 47.35     | 843.59 |
| Additions                           | -    | 0.66                   | -                        | 5.73                    | -        | 0.34                | 2.67      | 9.40   |
| Disposals/Adjustments               | -    | -                      | -                        | -                       | -        | -                   | -         | -      |
| <b>Balance as at March 31, 2022</b> | 1.68 | 558.12                 | 22.96                    | 65.69                   | 133.06   | 21.45               | 50.02     | 852.99 |

**Accumulated depreciation**

|                                     | Land | Plant and<br>Machinery | Electrical<br>Equipments | Furniture &<br>Fixtures | Vehicles | Office<br>Equipment | Computers | Total  |
|-------------------------------------|------|------------------------|--------------------------|-------------------------|----------|---------------------|-----------|--------|
| <b>Balance as at March 31, 2020</b> | -    | 421.12                 | 18.19                    | 29.76                   | 87.31    | 19.39               | 41.79     | 617.57 |
| Depreciation / Amortization         | -    | 10.41                  | 0.76                     | 4.03                    | 8.20     | 0.62                | 2.98      | 27.01  |
| Disposals/Adjustments               | -    | -                      | -                        | -                       | -        | -                   | -         | -      |
| <b>Balance as at March 31, 2021</b> | -    | 431.54                 | 18.95                    | 33.80                   | 95.52    | 20.02               | 44.77     | 644.58 |
| Depreciation / Amortization         | -    | 12.96                  | 0.65                     | 4.20                    | 17.51    | 0.43                | 2.40      | 38.16  |
| Disposals/Adjustments               | -    | -                      | -                        | -                       | -        | -                   | -         | -      |
| <b>Balance as at March 31, 2022</b> | -    | 444.50                 | 19.60                    | 38.00                   | 113.02   | 20.45               | 47.17     | 682.75 |

Note: Refer note 18 & 21 for details of assets pledged.

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lakhs, except share data and where otherwise stated)

**Note 3.1**

**Investment property:**

**Carrying Amount:**

|              | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--------------|-------------------------|-------------------------|
| Land         | 307.76                  | 805.16                  |
| Buildings    | 69.14                   | 70.47                   |
| <b>Total</b> | <b>376.90</b>           | <b>875.64</b>           |

**Cost or deemed Cost:**

|                                     | Land - Freehold | Buildings     | Total           |
|-------------------------------------|-----------------|---------------|-----------------|
| <b>Balance as at March 31, 2020</b> | <b>1,366.51</b> | <b>142.49</b> | <b>1,508.99</b> |
| Additions                           | -               | -             | -               |
| Disposals / Adjustments             | 561.34          | -             | 561.34          |
| <b>Balance as at March 31, 2021</b> | <b>805.16</b>   | <b>142.49</b> | <b>947.65</b>   |
| Additions                           | -               | -             | -               |
| Disposals / Adjustments             | 497.41          | -             | 497.41          |
| <b>Balance as at March 31, 2022</b> | <b>307.76</b>   | <b>142.49</b> | <b>450.24</b>   |

**Accumulated Depreciation:**

|                                     | Land - Freehold | Buildings    | Total        |
|-------------------------------------|-----------------|--------------|--------------|
| <b>Balance as at March 31, 2020</b> | -               | 70.68        | 70.68        |
| Depreciation                        | -               | 1.33         | 1.33         |
| Disposals / Adjustments             | -               | -            | -            |
| <b>Balance as at March 31, 2021</b> | -               | <b>72.01</b> | <b>72.01</b> |
| Depreciation                        | -               | 1.33         | 1.33         |
| Disposals / Adjustments             | -               | -            | -            |
| <b>Balance as at March 31, 2022</b> | -               | <b>73.34</b> | <b>73.34</b> |

**Note 3.2**

**Other Intangible Assets**

**Carrying Amount:**

|                   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|-------------------|-------------------------|-------------------------|
| Computer Software | 7.28                    | 5.30                    |
| <b>Total</b>      | <b>7.28</b>             | <b>5.30</b>             |

**Cost or deemed Cost:**

|                                     | Computer Software | Total        |
|-------------------------------------|-------------------|--------------|
| <b>Balance as at March 31, 2020</b> | <b>56.58</b>      | <b>56.58</b> |
| Additions                           | -                 | -            |
| Disposals/ Adjustments              | -                 | -            |
| <b>Balance as at March 31, 2021</b> | <b>56.58</b>      | <b>56.58</b> |
| Additions                           | 3.78              | 3.78         |
| Disposals/ Adjustments              | -                 | -            |
| <b>Balance as at March 31, 2022</b> | <b>60.36</b>      | <b>60.36</b> |

**Accumulated depreciation**

|                                     | Computer Software | Total        |
|-------------------------------------|-------------------|--------------|
| <b>Balance as at March 31, 2020</b> | <b>47.75</b>      | <b>47.75</b> |
| Depreciation / Amortization         | 3.53              | 3.53         |
| Disposals/ Adjustments              | -                 | -            |
| <b>Balance as at March 31, 2021</b> | <b>51.28</b>      | <b>51.28</b> |
| Depreciation / Amortization         | 1.80              | 1.80         |
| Disposals/ Adjustments              | -                 | -            |
| <b>Balance as at March 31, 2022</b> | <b>53.08</b>      | <b>53.08</b> |

Note: Refer note 18 & 21 for details of assets pledged.

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lakhs, except share data and where otherwise stated)

|  | As at March 31, 2022 |                  | As at March 31, 2021        |                             |
|--|----------------------|------------------|-----------------------------|-----------------------------|
|  | Number               | Amount           | Number                      | Amount                      |
| <b>4 Non Current Investments</b>   |                      |                  |                             |                             |
| Trade (Unquoted) (At Cost)   |                      |                  |                             |                             |
| <b>4.1 In Subsidiaries</b>   |                      |                  |                             |                             |
| (i) Investment in equity shares  |                      |                  |                             |                             |
| <u>In Shares of Rs 10 each, fully paid up</u>  |                      |                  |                             |                             |
| Manjeera Retail Holdings Private Limited (Refer Note.no.4.4)   | 8,82,35,294          | 10,423.78        | 8,82,35,294                 | 10,423.78                   |
| GM Infra Ventures Private Limited  | 28,50,000            | 901.62           | 28,50,000                   | 901.62                      |
| <b>Total aggregate investments in Subsidiaries</b>   |                      | <b>11,325.40</b> |                             | <b>11,325.40</b>            |
| <b>4.2 In Associates</b>   |                      |                  |                             |                             |
| (i) Investment in equity shares  |                      |                  |                             |                             |
| Manjeera Hospitality (Amaravati) Private Limited   | 26,000               | 2.60             | 26,000                      | 2.60                        |
| <b>Total aggregate investments in Associates</b>   |                      | <b>2.60</b>      |                             | <b>2.60</b>                 |
| <b>4.3 In Others</b>   |                      |                  |                             |                             |
| (i) Investment in equity shares  |                      |                  |                             |                             |
| <u>In Shares of Rs.10 each, fully paid up</u>  |                      |                  |                             |                             |
| Manjeera Hospitality (Rajahmundry) Private Limited   | 28,65,000            | 286.50           | 28,65,000                   | 286.50                      |
| (ii) Investment in others  |                      |                  |                             |                             |
| Vasavi Realtors LLP (Refer 4.5)  |                      | 626.07           |                             | 514.11                      |
|  |                      | <b>912.57</b>    |                             | <b>800.61</b>               |
| <b>Grand Total</b>   |                      | <b>12,240.57</b> |                             | <b>12,128.61</b>            |
| Aggregate value of quoted investments and marketvalue there of   | -                    | -                |                             | -                           |
| Aggregate value of unquoted investments  |                      | 12,240.57        |                             | 12,128.61                   |
| Aggregate amount of impairment value of investments  | -                    | -                |                             | -                           |
| 4.4 All shares which are held by Company in its wholly owned subsidiary Manjeera Retail Holdings Private Limited are pledge to VISTRA ITCL (INDIA) LIMITED which is a security trustee for the loan availed from ALTICO Capital Limited by the Manjeera Retail Holdings Private Limited. |                      |                  |                             |                             |
| 4.5 20% of Capital invested by Company in Vasavi Realtors LLP  |                      |                  |                             |                             |
|  |                      |                  | <b>As at March 31, 2022</b> | <b>As at March 31, 2021</b> |
| <b>5 Non Current Bank Balances</b>   |                      |                  |                             |                             |
| Deposits with maturity of more than 12 months (Refer Note No 5.1)  |                      |                  | 43.54                       | 112.14                      |
|  |                      |                  | <b>43.54</b>                | <b>112.14</b>               |
| <b>6 Other Financial Assets (Unsecured and Considered Good)</b>  |                      |                  |                             |                             |
| Deposits under Joint Development Arrangements  |                      |                  | 1,738.35                    | 1,962.37                    |
| Electricity and Other deposits   |                      |                  | 28.93                       | 28.93                       |
| Advance for Land Acquisition   |                      |                  | 60.00                       | 60.00                       |
| <b>Grand Total</b>   |                      |                  | <b>1,827.28</b>             | <b>2,051.30</b>             |
| 5.1 Margin Money Deposits represents the deposits lodged with Banks against Guarantees issued by them.   |                      |                  |                             |                             |

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lakhs, except share data and where otherwise stated)

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>7 Non-Current Tax Assets (Net)</b>  | 206.89                  | 261.47                  |
| <b>Total</b>   | <b>206.89</b>           | <b>261.47</b>           |
| <b>8 Deferred Tax Assets (Net)</b>   |                         |                         |
| (i) Deferred Tax Liability on timing difference due to:<br>Depreciation                                  | (13.80)                 | (122.65)                |
| (ii) Deferred Tax Asset on timing differences due to:<br>Provision for Gratuity and Compensated absences | 7.11                    | 6.21                    |
| (iii) Deferred Tax Asset-Profit and Loss Account   | 141.52                  | 205.59                  |
| <b>Deferred Tax Asset (Net) - (i) + (ii) + (iii) Total</b>   | <b>134.83</b>           | <b>89.15</b>            |
| <b>9 Other Non-Current Assets</b>  |                         |                         |
| Deferred Expenditure   | 375.68                  | 10.00                   |
| Other advances   | 3.40                    | 3.40                    |
| <b>Total</b>   | <b>379.08</b>           | <b>13.40</b>            |
| <b>10 Inventories</b>  | <b>25,342.76</b>        | <b>7,692.57</b>         |
| <b>Total</b>   | <b>25,342.76</b>        | <b>7,692.57</b>         |

10.1 Borrowing Costs capitalised during the period as inventory - Rs. 927.19 Lakhs (March 31, 2021: Rs. 627.27 Lakhs)

|   |                 |                 |
|---|-----------------|-----------------|
| <b>11 Trade Receivables</b>                     |                 |                 |
| Unsecured (Refer note 11.1 to 11.4)             |                 |                 |
| Considered Good                                 | 2,836.71        | 2,353.18        |
| Considered Doubtful                             | 11.30           | 23.73           |
|   | <b>2,848.01</b> | <b>2,376.92</b> |
| Others, Considered Good                         | -               | -               |
|   | <b>2,848.01</b> | <b>2,376.92</b> |
| Less : Allowance for doubtful trade receivables | 11.30           | 23.73           |
| <b>Total</b>                                    | <b>2,836.71</b> | <b>2,353.18</b> |

11.1 The credit period towards trade receivables generally ranges between 30 to 180 days. Generally, no interest is recovered for payments received beyond due date.

11.2 In determining the allowance for trade receivables the company has used practical expedients based on financial condition of the customer, ageing of the customer receivables and overdues, availability of collaterals and historical experience of collections from customers. The concentration of risk with respect to trade receivables is reasonably low as most of the customers settle within the due dates, though there may be normal delays in collections. The Company's past history in dues becoming bad or doubtful was very insignificant

11.3 Age of Receivables:

| Outstanding as at 31st Mar'2022 |   | Outstanding for following periods from due date of payment |                   |           |           |                   | Total    |
|---------------------------------|---|--|-------------------|-----------|-----------|-------------------|----------|
|                                 |   | Less than 6 months   | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years |          |
| (i)                             | Undisputed trade receivables - considered good                                | 45.54  | 2.37              | 1,045.42  | 734.79    | 1,008.59          | 2,836.71 |
| (ii)                            | Undisputed trade receivables - which have significant increase in credit risk | 11.30  | -                 | -         | -         | -                 | 11.30    |
| (iii)                           | Undisputed trade receivables - credit impaired                                | -  | -                 | -         | -         | -                 | -        |
| (iv)                            | Disputed trade receivables - considered good                                  | -  | -                 | -         | -         | -                 | -        |
| (v)                             | Disputed trade receivables - which have significant increase in credit risk   | -  | -                 | -         | -         | -                 | -        |
| (vi)                            | Disputed trade receivables - credit impaired                                  | -  | -                 | -         | -         | -                 | -        |

Outstanding as at 31st Mar'2021

| Outstanding as at 31st Mar'2021 |   | Outstanding for following periods from due date of payment |                   |           |           |                   | Total    |
|---------------------------------|---|--|-------------------|-----------|-----------|-------------------|----------|
|                                 |   | Less than 6 months   | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years |          |
| (i)                             | Undisputed trade receivables - considered good                                | 10.12  | 1,528.84          | 271.91    | 20.50     | 521.81            | 2,353.18 |
| (ii)                            | Undisputed trade receivables - which have significant increase in credit risk | 23.73  | -                 | -         | -         | -                 | 23.73    |
| (iii)                           | Undisputed trade receivables - credit impaired                                | -  | -                 | -         | -         | -                 | -        |
| (iv)                            | Disputed trade receivables - considered good                                  | -  | -                 | -         | -         | -                 | -        |
| (v)                             | Disputed trade receivables - which have significant increase in credit risk   | -  | -                 | -         | -         | -                 | -        |
| (vi)                            | Disputed trade receivables - credit impaired                                  | -  | -                 | -         | -         | -                 | -        |

Note: There is no unbilled revenue during the year

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lakhs, except share data and where otherwise stated)

|   | As at<br>March 31, 2022  | As at<br>March 31, 2021  |
|---|--|--|
| <b>12 Cash and Bank Balances</b>  |  |  |
| <b>12.1 Cash and Cash Equivalentents</b>  |  |  |
| Cash on hand  | 0.01   | 2.31   |
| Balances with Banks   |  |  |
| In Current Accounts   | 312.49   | 73.65  |
|   | <b>312.49</b>  | <b>75.96</b>   |
| <b>12.2 Other Bank Balances (Refer note 12.2.1)</b>   |  |  |
| In Deposit Accounts- With Scheduled Banks   |  |  |
| In Deposit Accounts with maturity less than 12 months   | 149.03   | 154.88   |
|   | <b>461.52</b>  | <b>230.84</b>  |
| <b>12.2.1</b> Margin Money Deposits represents the deposits lodged with Banks against Guarantees issued by them.  |  |  |
|   | As at<br>March 31, 2022  | As at<br>March 31, 2021  |
| <b>13 Loans</b>   |  |  |
| <b>(Unsecured and Considered good)</b>  |  |  |
| Advances to related parties (refer note 13.1 and 36)  |  |  |
| Non Current advances  | 8,983.64   | 5,225.10   |
|   | <b>8,983.64</b>  | <b>5,225.10</b>  |
| <b>13.1</b> Unsecured loans given to related parties carries interest of 12% per annum compounded on quarterly basis and are repayable on demand. Now the management of the related party have agreed to repay it after three years or as per the demand from lender whichever is later and eventually it has been regrouped into Non current advances. |  |  |
| Outstanding as at 3st Mar'2022  |  |  |
| <b>13.2</b>   | <b>Amount of loan or<br/>advance in the<br/>nature of loan<br/>outstanding</b> | <b>Percentage to the total<br/>Loans and Advances in<br/>nature of loans</b> |
| <b>Type of the borrower</b>   |  |  |
| Promoter  | -  | 0%   |
| Directors   | -  | 0%   |
| KMP's   | -  | 0%   |
| Related Parties   | 8,983.64   | 100%   |

Outstanding as at 3st Mar'2022

| Type of the borrower | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in nature of loans |
|----------------------|---|---|
| Promoter             | -   | 0%  |
| Directors            | -   | 0%  |
| KMP's                | -   | 0%  |
| Related Parties      | 5,225.10  | 100%  |

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>14 Other Financial Assets</b>                               |                         |                         |
| Retention Money Receivable                                     | 371.62                  | 284.26                  |
| <b>Total</b>   | <b>371.62</b>           | <b>284.26</b>           |
| <b>15 Other Current Assets<br/>(Unsecured Considered Good)</b> |                         |                         |
| Advances to contractors / Sub contractors                      | 1,226.31                | 1,284.78                |
| Advances recoverable in cash or kind                           | 393.91                  | 256.12                  |
| GST Credit   | 493.18                  | 570.46                  |
| Current Tax Asset  | 63.93                   | -                       |
| Prepaid Expenses   | 9.12                    | 6.21                    |
| <b>Total</b>   | <b>2,186.46</b>         | <b>2,117.58</b>         |

Advances to directors or other offices of the Company or any of them either severally or jointly with any other person or amount due by firms or private companies respectively in which any director is a partner or a director or a member

15.1 Outstanding as at 3st Mar'2022

| Type of the borrower | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in nature of loans |
|----------------------|---|---|
| Promoter             | -   | 0%  |
| Directors            | -   | 0%  |
| KMP's                | -   | 0%  |
| Related Parties      | 471.49  | 38%   |

Outstanding as at 3st Mar'2021

| Type of the borrower | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in nature of loans |
|----------------------|---|---|
| Promoter             | -   | 0%  |
| Directors            | -   | 0%  |
| KMP's                | -   | 0%  |
| Related Parties      | 158.09  | 12%   |

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Lakhs, except share data and where otherwise stated)

|  | As at<br>March 31, 2022   |                 | As at<br>March 31, 2021 |                          |
|--|---|-----------------|-------------------------|--------------------------|
|  | Number of shares  | Amount          | Number of shares        | Amount                   |
| <b>16 Share Capital</b>  |   |                 |                         |                          |
| <b>Authorised :</b>  |   |                 |                         |                          |
| Equity Shares of Rs. 10 each (Refer note 3.6)  | 2,50,00,000   | 2,500.00        | 2,50,00,000             | 2,500.00                 |
| <b>Issued :</b>  |   |                 |                         |                          |
| Equity Shares of Rs. 10 each (Refer note 16.4)   | 1,25,08,418   | 1,250.84        | 1,25,08,418             | 1,250.84                 |
| <b>Subscribed and Paid up :</b>  |   |                 |                         |                          |
| Equity Shares of Rs.10 each  | 1,25,08,418   | 1,250.84        | 1,25,08,418             | 1,250.84                 |
| <b>Total</b>   |   | <b>1,250.84</b> |                         | <b>1,250.84</b>          |
| <b>16.1 Reconciliation of the number of equity shares and amount outstanding at beginning and at end of the year</b> |   |                 |                         |                          |
|  | As at<br>March 31, 2022   |                 | As at<br>March 31, 2021 |                          |
|  | Number of shares  | Amount          | Number of shares        | Amount                   |
| Balance at beginning of the year   | 1,25,08,418   | 1,250.84        | 1,25,08,418             | 1,250.84                 |
| Add: Issued during the year  | -   | -               | -                       | -                        |
| Balance at end of the year   | 1,25,08,418   | 1,250.84        | 1,25,08,418             | 1,250.84                 |
| <b>16.2 Details of shares held by each shareholder holding more than 5% shares</b>                                   |   |                 |                         |                          |
|  | As at<br>March 31, 2022   |                 | As at<br>March 31, 2021 |                          |
|  | Number of shares  | % holding       | Number of shares        | % holding                |
| G. Yoganand  | 68,50,946   | 54.77           | 68,50,946               | 54.77                    |
| G. Padmaja   | 8,54,750  | 6.83            | 8,54,750                | 6.83                     |
| Gajjala Investments and Holdings Private Limited   | 8,24,979  | 6.60            | 8,24,979                | 6.60                     |
| <b>16.3 Details of Shareholding of Promoters</b>   |   |                 |                         |                          |
| S. No  | Promoter Name   | No. of shares   | % of total share        | % Change during the year |
| 1  | G Yoganand  | 68,50,946       | 54.8%                   | 0%                       |
| 2  | G Padmaja   | 8,54,750        | 6.8%                    | 0%                       |
| 3  | G Yoganand HUF  | 4,86,625        | 3.9%                    | 0%                       |
| 4  | Gajjala Investments and Holdilings Pvt Ltd  | 8,24,979        | 6.6%                    | 0%                       |
| 5  | Manjeera Estates Pvt Ltd  | 1,54,894        | 1.2%                    | 0%                       |
| 6  | Manjeera Hotels and Resorts Private Ltd   | 96,383          | 0.8%                    | 0%                       |
| <b>16.4 Rights of the share holders</b>  | <p>The Company has only one class of shares. Equity shares having a par value of Rs. 10/- . Each holder of equity shares is entitled to one vote per share. All the equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval</p> <p>In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion of their shareholding.</p> |                 |                         |                          |



**MANJEERA CONSTRUCTIONS LIMITED**

CIN: I45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lakhs, except share data and where otherwise stated)

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>17 Other Equity</b>  |                         |                         |
| <b>17.1 Securities Premium Account</b>                                  | 1,501.01                | 1,501.01                |
| <b>17.2 General Reserve</b>   | 270.00                  | 270.00                  |
| <b>17.3 Surplus in Statement of Profit and Loss (Refer Note 17.3.a)</b> |                         |                         |
| Opening balance   | 6,509.12                | 7,273.06                |
| Add : Profit for the year   | 65.44                   | (763.94)                |
| Closing balance   | <b>6,574.56</b>         | <b>6,509.12</b>         |
| <b>17.4 Other Components of Equity</b>                                  |                         |                         |
| Opening balance   | <b>20.57</b>            | <b>10.16</b>            |
| Remeasurements of the defined benefit plans (Refer note 17.4.a)         | 0.21                    | 10.40                   |
| <b>Closing balance</b>  | <b>20.78</b>            | <b>20.57</b>            |
| <b>Total</b>  | <b>8,366.35</b>         | <b>8,300.70</b>         |

17.3.a Retained earnings represents the Company's undistributed earnings after taxes.

17.4.a It represents the actuarial gain/(loss) recognised on the defined benefit plan and will not be reclassified to retained earnings.

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lakhs, except share data and where otherwise stated)

|    |   | As at<br>March 31, 2022 |                 | As at<br>March 31, 2021 |             |
|----|---|-------------------------|-----------------|-------------------------|-------------|
|    |   | Non Current             | Current*        | Non Current             | Current*    |
| 18 | <b>Borrowings - Non Current</b>                                 |                         |                 |                         |             |
|    | <b>Secured - at amortised cost</b>                              |                         |                 |                         |             |
|    | <b>Term loans from Others</b>                                   |                         |                 |                         |             |
|    | LIC Housing Finance Limited (Refer Note 18.1)                   | 2,435.76                | 1,680.00        | 4,596.45                | -           |
|    | Other Banks (Refer Note 18.2)                                   | 716.85                  | 246.89          | 549.20                  | -           |
|    | <b>Vehicle Loans from banks</b>                                 |                         |                 |                         |             |
|    | From Banks (Refer Note 18.3)                                    | 12.90                   | 9.31            | 21.71                   | 8.83        |
|    | <b>Unsecured</b>  |                         |                 |                         |             |
|    | Inter Corporate Deposits from related parties (Refer Note 18.4) | 6,443.44                | -               | 10,254.54               | -           |
|    | Inter Corporate Deposits from others (Refer Note 18.5)          | 2,195.00                | -               | 3,062.85                | -           |
|    |   | 11,803.95               | 1,936.20        | 18,484.75               | 8.83        |
|    | <b>Total</b>  | <b>11,803.95</b>        | <b>1,936.20</b> | <b>18,484.75</b>        | <b>8.83</b> |

\* Current maturities are included in Note 21 - Other Financial Liabilities

18.1 Equitable Mortgage on land & Buildings of Developer share of Manjeera Monarch Project and Unit number 304 A in Aditya Trade Centre (F&G Blocks) & Open Exhibition area in ground floor and unit number 4,5,6,7 & 8 in Mezzanine floor belongs to Manjeera Estates Pvt Limited and G Yoganand in Aditya Trade Centre(F&G Blocks). Present interest rate at 14.30% on monthly basis. Term loan is repayable in 30 monthly equal installment starting from January, 2020.

18.2 Other banks details is to be given

|                     | As At March 31, |               |
|---------------------|-----------------|---------------|
|                     | 2022            | 2021          |
| LICHFL - ECLGS Loan | 955.80          | 500.00        |
| CECF Loan           | 7.94            | 49.20         |
|                     | <b>963.74</b>   | <b>549.20</b> |

18.3 Vehicles loan amounting to Rs. 22.20 Lakhs (March 31, 2021: ₹ 30.54 Lakhs) is secured by hypothecation of vehicles purchased.

18.4 Unsecured loans taken from related parties carries interest of 12% per annum compounded on quarterly basis and are repayable on demand.

18.5 Inter corporate deposits from others carries average interest of 12% per annum compounded on quarterly basis and are repayable on demand.

18.6 Repayment schedule of long term loans

|              | As At March 31,  |                  |
|--------------|------------------|------------------|
|              | 2022             | 2021             |
| Up to 1 year | 1,936.20         | 8.83             |
| 1 to 5 years | 11,803.95        | 18,484.75        |
|              | <b>13,740.15</b> | <b>18,493.59</b> |

18.7 Period and amount of continuing default as on the Balance Sheet date: NIL

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Lakhs, except share data and where otherwise stated)

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>19 Provisions - Non Current</b>                |                         |                         |
| Provision for Employee Benefits (Refer note 19.1) |                         |                         |
| Gratuity  | 19.64                   | 15.79                   |
| Leave Encashment                                  | 4.67                    | 5.11                    |
| <b>Total</b>                                      | <b>24.30</b>            | <b>20.90</b>            |

**19.1 A. Defined benefit plan**

The Company has a **non fund based** defined benefit gratuity plan and provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity at the rate of 15 days basic salary for each year of service until the retirement age.

The following tables set out the status of gratuity & Leave Encashment plans and the amount recognized in Company's financial statements :

| Particulars  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>1 The amounts recognized in the Balance Sheet are as follows:</b>   |                         |                         |
| Present value of the obligation as at the end of the year  | 21.05                   | 16.23                   |
| Fair value of plan assets as at the end of the year  | -                       | -                       |
| Net liability recognized in the Balance Sheet  | <b>21.05</b>            | <b>16.23</b>            |
| <b>2 Changes in the present value of defined benefit obligation</b>  |                         |                         |
| Defined benefit obligation as at beginning of the year   | 16.23                   | 23.07                   |
| Service cost   | 2.51                    | 2.32                    |
| Interest cost  | 1.12                    | 1.47                    |
| Actuarial losses/(gains) arising from  |                         |                         |
| - change in demographic assumptions  |                         |                         |
| - change in financial assumptions  | (0.90)                  | (0.18)                  |
| - experience variance  | 2.09                    | (7.69)                  |
| Benefits paid  | -                       | (2.76)                  |
| Defined benefit obligation as at the end of the year   | <b>21.05</b>            | <b>16.23</b>            |
| <b>3 Net gratuity cost for the year ended March 31, 2021 and March 31, 2020 comprises of following components.</b> |                         |                         |
| Service cost   | 2.51                    | 2.32                    |
| Net interest cost on the net defined benefit liability   | 1.12                    | 1.47                    |
|  | <b>3.63</b>             | <b>3.79</b>             |
| <b>4 Other Comprehensive income/(loss)</b>   |                         |                         |
| Change in financial assumptions  | (0.90)                  | 0.18                    |
| Experience variance (i.e. actual experience vs assumptions)  | 2.09                    | 7.69                    |
| Change in demographic assumptions  | -                       | -                       |
|  | <b>1.19</b>             | <b>7.87</b>             |

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lakhs, except share data and where otherwise stated)

**B. Defined contribution plan**

The Company provides benefits in the nature of defined contribution plans viz, employee state insurance scheme and provident fund for qualifying employees. Under these Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 10.43 Lakhs (March 31, 2021: ₹ 9.65 Lakhs) towards contribution for mentioned funds in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

**C. Sensitivity analysis****Description of Risk Exposures**

Valuations are performed on certain basic set of pre-determined assumptions which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit which are as follows:

**Interest Rate Risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of liability (as shown in financial

**Liquidity Risk:** This is the risk that the Company is not able to meet the short term benefit payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

**Salary Escalation Risk:** The present value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic Risk:** The company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**Regulatory Risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (for example, increase in the maximum liability

**Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets exposing the company to market risks for volatilities/fall in interest rate.

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>20 Other non-current liabilities</b> |                         |                         |
| Advance Received against Sale of Land   | 26,592.40               | -                       |
| <b>Total</b>                            | <b>26,592.40</b>        | <b>-</b>                |

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Lakhs, except share data and where otherwise stated)

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>21 Borrowings- Current</b>  |                         |                         |
| <b>Secured</b>   |                         |                         |
| Cash Credit from Bank (Refer Note 21.1)  | 684.73                  | 681.41                  |
| Current maturities of Long Term Borrowings   | 1,936.20                | 8.83                    |
| <b>Unsecured</b>   |                         |                         |
| Inter Corporate Deposits from Others   | 180.00                  | 180.00                  |
| <b>Total</b>   | <b>2,800.93</b>         | <b>870.24</b>           |
| <p>21.1 Cash Credit is secured by hypothecation of current assets of construction contract business division (excluding assets of real estate division). Margin 25%. Rate of interest - Bench Mark 1 year MCLR of bank plus spread of 2.5% chargeable on monthly)</p> <p>21.2 Unsecured inter-corporate deposit amounting to ₹ 180.00 Lakhs ( March 31, 2021: ₹ 180.00 Lakhs) taken from different parties carries an average interest rate of 12% per annum which is repayable with in one year or demand.(March 31, 2021 : average interest rate of 12%).</p> <p>21.3 The Company has been sanctioned working capital limits in excess of 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. The quarterly returns filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company of the respective quarters.</p> |                         |                         |

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lakhs, except share data and where otherwise stated)

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>22 Trade Payables (Refer Note no 22.1)</b>  |                         |                         |
| Acceptances  |                         |                         |
| Other than Acceptances   | 3,844.08                | 3,715.46                |
|  | <b>3,844.08</b>         | <b>3,715.46</b>         |
| 22.1 Trade payable other than acceptances includes of Rs.1.09 Lakhs dues to Micro and Small Enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006.<br>Due to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the Auditors. |                         |                         |

**22.2 Age of Payables:**

| Particulars                 | Outstanding for following periods from due date of payment as at March 31, 2022 |           |           |                   |          |
|-----------------------------|---|-----------|-----------|-------------------|----------|
|                             | Less than 1 Year  | 1-2 years | 2-3 years | More than 3 years | Total    |
| (i) MSME                    | 0.41  | 0.69      | -         | -                 | 1.09     |
| (ii) Others                 | 854.58  | 330.12    | 1,061.02  | 1,597.26          | 3,842.99 |
| (iii) Disputed dues - MSME  | -   | -         | -         | -                 | -        |
| (iv) Disputed dues - Others | -   | -         | -         | -                 | -        |

| Particulars                 | Outstanding for following periods from due date of payment as at March 31, 2021 |           |           |                   |          |
|-----------------------------|---|-----------|-----------|-------------------|----------|
|                             | Less than 1 Year  | 1-2 years | 2-3 years | More than 3 years | Total    |
| (i) MSME                    | 4.39  |           |           |                   | 4.39     |
| (ii) Others                 | 1,059.06  | 1,238.24  | 188.16    | 1,225.61          | 3,711.07 |
| (iii) Disputed dues - MSME  |   |           |           |                   |          |
| (iv) Disputed dues - Others |   |           |           |                   |          |

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>23 Other Financial Liabilities</b>                      |                         |                         |
| Current maturities of Long Term Borrowings (Refer note 21) | -                       | -                       |
| Interest Accrued but not due on borrowings and others      | 186.86                  | 132.50                  |
| Employee Benefits payable                                  | 21.48                   | 23.53                   |
| Other payables   | 110.28                  | 66.45                   |
| <b>Total</b>   | <b>318.62</b>           | <b>222.48</b>           |
| <b>24 Provisions</b>                                       |                         |                         |
| Provision for Employee Benefits                            |                         |                         |
| Gratuity   | 1.42                    | 0.44                    |
| Compensated absences                                       | 1.60                    | 1.00                    |
| <b>Total</b>   | <b>3.02</b>             | <b>1.44</b>             |
| <b>25 Other Current Liabilities</b>                        |                         |                         |
| Advances from Customers                                    | 77.73                   | 283.23                  |
| Corpus fund collections                                    | 283.28                  | 300.78                  |
| Security deposit   | 38.01                   | 38.27                   |
| Statutory Dues Payable                                     | 165.83                  | 150.44                  |
| <b>Total</b>   | <b>564.84</b>           | <b>772.72</b>           |

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lakhs, except share data and where otherwise stated)

|  | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
|--|------------------------------|------------------------------|
| <b>26 Revenue from Operations</b>                  |                              |                              |
| Revenue from sale of residential spaces (Projects) | 889.20                       | 1,357.36                     |
| Sub- contracted contract receipts                  | 2,880.04                     | 1,348.77                     |
| Wind Mill Energy sales                             | 44.19                        | 37.46                        |
| Profit on Sale of Bion Kothaguda Land              | 219.70                       | 388.66                       |
| <b>Total</b>                                       | <b>4,033.12</b>              | <b>3,132.25</b>              |
| <b>27 Other Income</b>                             |                              |                              |
| Interest Income                                    |                              |                              |
| on bank deposits                                   | 14.74                        | 16.07                        |
| on inter corporate deposits                        | 750.22                       | 593.77                       |
| on Security deposits (Fair Value Adjustments)      | 30.52                        | 40.32                        |
|  | <b>795.48</b>                | <b>650.16</b>                |
| Share of profit from LLP                           | 111.96                       | 15.30                        |
| Rental Income                                      | 27.81                        | 24.57                        |
| Scrap Sales  | 4.62                         | 12.12                        |
| Credit Balances No Longer Required Written Back    | 135.71                       |                              |
| Other Income                                       | 22.29                        | 1.02                         |
| <b>Total</b>                                       | <b>1,097.86</b>              | <b>703.17</b>                |
|  |                              |                              |

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lakhs, except share data and where otherwise stated)

|   | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
|---|------------------------------|------------------------------|
| <b>28 Cost of Goods Sold</b>                      |                              |                              |
| <b>Opening Inventory</b>                          | 7,692.57                     | 7,466.83                     |
| <b>Add: Cost incurred during the year</b>         |                              |                              |
| Direct Expenses -Development Projects             | 2,357.22                     | 1,026.53                     |
| Sub Contracted - EPC Projects                     | 668.07                       | 902.52                       |
| Employee Benefits (Refer Note no 29)              | 61.81                        | 58.44                        |
| Finance Cost (Refer Note no 30)                   | 927.19                       | 627.27                       |
| Other Expenses (Refer Note no 31)                 | 526.58                       | 185.00                       |
| Khanamet- Land Inventory                          | 16,451.80                    | -                            |
| Wind-mill energy expenses                         | 16.64                        | 15.58                        |
| <b>Subtotal</b>                                   | <b>28,701.89</b>             | <b>10,282.17</b>             |
| <b>Less: Closing Inventory</b>                    | <b>25,342.76</b>             | <b>7,692.57</b>              |
| <b>Cost of goods sold</b>                         | <b>3,359.13</b>              | <b>2,589.60</b>              |
| <b>28.1 Direct Expenses -Development Projects</b> |                              |                              |
| <b>Materials</b>                                  |                              |                              |
| Iron&Steel  | 0.12                         | 0.67                         |
| Tiles/Granite/Marble/Pavers/Mosaic                | 4.24                         | 73.31                        |
| Doors and windows                                 | 34.76                        | 39.14                        |
| Harware,Plumbing&Electricals                      | 81.78                        | 65.30                        |
| Misc.materials                                    | 78.27                        | 88.03                        |
| <b>Cost of work</b>                               |                              |                              |
| Concrete Works - RCC&PCC                          | 1.73                         | -                            |
| Excavation Works                                  | 15.54                        | -                            |
| External Development Works                        | 46.61                        | 38.98                        |
| Flooring & Dado Works                             | 27.55                        | 73.20                        |
| Lifts / Elevators                                 | 15.22                        | 7.91                         |
| Painting Works                                    | 25.15                        | 45.22                        |
| Electrical Works                                  | 129.81                       | 67.40                        |
| Plumbing & Drainage Works                         | 51.29                        | 56.34                        |
| Fire Fighting System                              | 41.45                        | 57.32                        |
| Audio & Video Works                               | 35.42                        | -                            |
| Solar Fencing                                     | 0.33                         | 1.13                         |
| Miscellaneous Works                               | 41.74                        | 39.94                        |
| Network and LAN Works                             | -                            | 4.74                         |
| Loading and Unloading Charges                     | 0.65                         | 1.61                         |
| NMR-Labour Charges                                | 4.84                         | 8.76                         |
| Interior Fitout Works                             | 234.93                       | 73.92                        |
| HVAC Works  | 111.38                       | 62.90                        |
| Preconstruction Works                             | 30.77                        | -                            |
| Fabrication work                                  | 10.02                        | 11.76                        |
| Consultants                                       | 128.54                       | 35.58                        |
| Other Direct Expenses                             | 1,145.38                     | 113.18                       |
| Misc. Civil Works                                 | 59.70                        | 60.20                        |
| <b>Total</b>                                      | <b>2,357.22</b>              | <b>1,026.53</b>              |



**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lakhs, except share data and where otherwise stated)

|  | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
|--|------------------------------|------------------------------|
| <b>29 Employee Benefits Expense</b>  |                              |                              |
| Salaries and wages   | 170.47                       | 168.35                       |
| Employee gratuity  | 5.28                         | 9.78                         |
| Employee Leave Encashment  | 0.45                         | 3.50                         |
| Contribution to provident fund and others  | 10.43                        | 9.65                         |
| Staff welfare expenses   | 6.33                         | 8.21                         |
| Directors remuneration   | 24.00                        | 24.00                        |
| <b>Total</b>   | <b>216.95</b>                | <b>223.49</b>                |
| Less: Transfer to Cost of Sales (Refer Note no 28)   | (61.81)                      | (58.44)                      |
| <b>Total</b>   | <b>155.15</b>                | <b>165.05</b>                |
| 29.1 Defined contribution plans:   |                              |                              |
| The Company provides benefits in the nature of defined contribution plans viz, employee state insurance scheme and provident fund for qualifying employees. Under these Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 10.43 Lakhs (March 31, 2021: ₹ 9.65 Lakhs) towards contribution for mentioned funds in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes. |                              |                              |
| <b>30 Finance Costs</b>  |                              |                              |
| <b>Interest Expense on</b>   | <b>Year Ended</b>            | <b>Year Ended</b>            |
|  | <b>March 31, 2022</b>        | <b>March 31, 2021</b>        |
| On Term Loans  | 722.81                       | 689.29                       |
| On Cash Credit and Other facilities  | 83.52                        | 75.24                        |
| On Inter Corporate Deposits  | 1,315.01                     | 1,475.75                     |
| On Vehicle Term Loans  | 2.20                         | 3.23                         |
| on Processing fee  | 4.78                         | 4.97                         |
| on Others  | 5.52                         | 5.52                         |
| TDS delayed payment  | 8.74                         | 9.71                         |
| APHB related dues  | 127.10                       | 127.10                       |
| Bank charges and commission  | 21.52                        | 16.37                        |
| <b>Total</b>   | <b>2,291.20</b>              | <b>2,407.18</b>              |
| Less: Transfer to Cost of Sales (Refer Note no 28)   | (927.19)                     | (627.27)                     |
| <b>Total</b>   | <b>1,364.01</b>              | <b>1,779.91</b>              |

|  | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
|--|------------------------------|------------------------------|
| <b>31 Other expenses</b>                           |                              |                              |
| Filing fees  | 3.74                         | 5.08                         |
| Rates and Taxes                                    | 51.03                        | 12.35                        |
| Travelling and Conveyance                          | 12.50                        | 16.80                        |
| Vehicle maintenance                                | 3.27                         | 1.62                         |
| Repairs and Maintenance - Others                   | 15.30                        | 9.78                         |
| Printing and Stationery                            | 7.88                         | 2.33                         |
| Communications                                     | 2.07                         | 1.77                         |
| Rent Paid  | -                            | 2.45                         |
| Donations  | -                            | 26.01                        |
| CSR expenses                                       | -                            | 9.00                         |
| Power and Fuel                                     | 1.34                         | 2.66                         |
| Office Maintenance                                 | 64.36                        | 21.28                        |
| Professional charges                               | 146.62                       | 114.06                       |
| Subscriptions and fees                             | 0.30                         | 0.88                         |
| Directors' Sitting Fees                            | 2.00                         | 1.50                         |
| Security charges                                   | 15.16                        | 11.06                        |
| Permission fee                                     | 210.37                       | -                            |
| Insurance  | 0.94                         | 0.90                         |
| Auditors' Remuneration                             |                              |                              |
| Statutory audit fee                                | 5.00                         | 5.00                         |
| Tax audit fee                                      | -                            | -                            |
| Selling Expenses - Advertisement                   | 5.45                         | 26.67                        |
| General Expenses                                   | 28.18                        | 17.59                        |
| Provision for expected Credit loss                 | -                            | 0.45                         |
| Brokerage and commission                           | 95.30                        | 4.70                         |
| Deferred Expenditure Written off                   | 10.00                        | 36.11                        |
| Other Expenses                                     | 0.55                         | 48.14                        |
| <b>Total</b>                                       | <b>681.34</b>                | <b>378.19</b>                |
| Less: Transfer to Cost of Sales (Refer Note no 28) | (526.58)                     | (185.00)                     |
| <b>Total</b>                                       | <b>154.76</b>                | <b>193.19</b>                |

MANJEERA CONSTRUCTIONS LIMITED

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

|  |                                      |                                      |
|--|--------------------------------------|--------------------------------------|
| <b>32 Tax Expense</b>  |                                      |                                      |
| Current Tax (including earlier year taxation)  | 36.97                                | -                                    |
| Deferred Tax   | (45.76)                              | (160.26)                             |
| <b>Total</b>   | <b>(8.79)</b>                        | <b>(160.26)</b>                      |
| <b>32.1 Reconciliation of tax expense to the accounting profit is as follows:</b>        |                                      |                                      |
|  | <b>Year ended<br/>March 31, 2022</b> | <b>Year Ended<br/>March 31, 2021</b> |
| <b>Accounting profit before tax</b>  | 56.65                                | (924.20)                             |
| Tax expense at statutory tax rate of 27.82%  | -                                    | -                                    |
| Adjustments:   |                                      |                                      |
| Effect of income that is exempt from taxation  | -                                    | -                                    |
| Adjustments recognised in the current year in relation to the current tax of prior years | 36.97                                | -                                    |
| Effect of expenses that are not deductible in determining taxable profit                 | -                                    | -                                    |
| Others   | -                                    | -                                    |
| <b>Tax expense reported in the Statement of Profit and Loss</b>                          | <b>36.97</b>                         | <b>-</b>                             |
| <b>32.2 Income tax credit / (expense) recognized in Other Comprehensive Income:</b>      |                                      |                                      |
|  | <b>Year ended<br/>March 31, 2022</b> | <b>Year ended<br/>March 31, 2021</b> |
| Tax effect on actuarial gains/losses on defined benefit obligations                      | (0.08)                               | (4.01)                               |
| <b>Total</b>   | <b>(0.08)</b>                        | <b>(4.01)</b>                        |

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

**33 Contingent Liabilities and Commitments****(i) Contingent Liability****a. Claims against the Company not acknowledged as debts:**

Claims against the Company not acknowledged as debts include demands raised by Income Tax authorities aggregating to Rs. Nil (Previous year Rs. Nil).

**b. Other Contingent Liabilities**

- i. Guarantees issued by bankers on behalf of the company towards performance obligations Rs. 690.47 Lakhs (March 31, 2021: Rs. 690.47 Lakhs).
- ii. Corporate Guarantee of Rs. 32,500 Lakhs March 31, 2021: Rs. 32,500 Lakhs) issued on behalf of wholly owned subsidiary company Manjeera Retail Holdings Private Limited.

**34 Earnings per share**

| <b>Particulars</b>  | <b>Year Ended<br/>March 31, 2022</b> | <b>Year Ended<br/>March 31, 2021</b> |
|---|--------------------------------------|--------------------------------------|
| Net Profit/ (Loss) after tax available for equity shareholders (Rs. in Lakhs) | 65.44                                | (763.94)                             |
| Weighted Average number of equity shares for Basic EPS (Nos)                  | 1,25,08,418                          | 1,25,08,418                          |
| Weighted Average number of equity shares for Diluted EPS (Nos)                | 1,25,08,418                          | 1,25,08,418                          |
| Face value per share (Rs.)  | 10.00                                | 10.00                                |
| Basic & Diluted EPS * (Rs.)   | 0.52                                 | (6.11)                               |

**MANJEERA CONSTRUCTIONS LIMITED**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022  
(All amounts in Rs Lakhs, except share data and where otherwise stated)

**35 Related Party Disclosures**

**35.1 List of Related Parties**

| Sr.No | Name of the Entity                                 | Relationship                              |
|-------|--|---|
| 1     | Manjeera Retail Holdings Private Limited           | Wholly owned Subsidiary                   |
| 2     | GM Infra Ventures Private Limited                  | Wholly owned Subsidiary                   |
| 3     | Manjeera Developers Private limited                | Entity under significant influence of KMP |
| 4     | Manjeera Hospitality (Amaravati) Private Limited   | Associate company                         |
| 5     | G.Yoganand - Managing Director                     | Managing Director                         |
| 6     | K. Krishna Murty - Independent Director            | Director                                  |
| 7     | Sudhakar Gande - Director                          | Director                                  |
| 8     | DLS Sreshti - Independent Director                 | Director                                  |
| 9     | G.Veena - Director                                 | Director                                  |
| 10    | Gajjala Vivekanand - Director                      | Director                                  |
| 11    | Krishna Gokeda-CFO (w.e.f: 09.06.2021)             | Key Managerial Person                     |
| 12    | CH N V Rambabu-Company secretary                   | Key Managerial Person                     |
| 13    | Manjeera Hospitality (Rajahmundry) Private Limited | Entity under significant influence of KMP |
| 14    | Manjeera Estates Private Limited                   | Entity under significant influence of KMP |
| 15    | Manjeera Hotels & Resorts Private limited          | Entity under significant influence of KMP |
| 16    | Gajjala Investments & Holdings Private Limited     | Entity under significant influence of KMP |
| 17    | Aashraya Hotels And Estates Private Limited        | Entity under significant influence of KMP |
| 18    | Manjeera Hospitality (Vijayawada) Private Limited  | Entity under significant influence of KMP |
| 19    | Treeoils India Limited                             | Entity under significant influence of KMP |
| 20    | Manjeera Projects                                  | Entity under significant influence of KMP |
| 21    | Manjeera Enterprises LLP                           | Entity under significant influence of KMP |
| 22    | Vasavi Realtors LLP                                | Entity under significant influence of KMP |
| 23    | Sree Varamahalakshmi Constructions LLP             | Entity under significant influence of KMP |
| 24    | Vasavi Foundation for Empowerment                  | Entity under significant influence of KMP |
| 25    | Rachana  | Relative of Director                      |

**35.2 Transactions during the period with Related Parties**

| Sr.No | Party name   | Nature                                   | For FY 21-22 | For FY 20-21 |
|-------|--|--|--------------|--------------|
| 1     | G Yoganand   | Directors Remuneration                   | 24.00        | 24.00        |
| 2     | K. Krishna Murty - Independent Director            | Sitting Fee For Meetings                 | 0.50         | 0.40         |
| 3     | DLS Sreshti - Independent Director                 | Sitting Fee For Meetings                 | 0.50         | 0.40         |
| 4     | G Veena  | Sitting Fee For Meetings                 | 0.45         | 0.40         |
| 5     | Gajjala Vivekanand                                 | Sitting Fee For Meetings                 | 0.20         | 0.15         |
| 6     | Sudhakar Gande                                     | Sitting Fee For Meetings                 | 0.35         | 0.15         |
| 7     | Manjeera Estates Private Limited                   | Finance Cost                             | 579.06       | 531.40       |
| 8     | Manjeera Estates Pvt Limited                       | (Loan Taken)/Repaid - Net                | 2,126.69     | (724.10)     |
| 9     | Manjeera Hotels & Resorts Private Limited          | Finance Cost                             | 158.78       | 356.29       |
| 10    | Manjeera Hotels & Resorts Private Limited          | (Loan Taken)/Repaid - Net                | 5,137.22     | (1,313.70)   |
| 11    | Aashraya Hotels & Estates Pvt Ltd                  | Finance Cost                             | 108.76       | 105.88       |
| 12    | Aashraya Hotels & Estates Pvt Ltd                  | (Loan Taken)/Repaid - Net                | 48.00        | (48.85)      |
| 13    | GM Infra Ventures Pvt Ltd                          | Finance Cost                             | 123.66       | 114.23       |
| 14    | GM Infra Ventures Pvt Ltd                          | (Loan Taken)/Repaid - Net                | (41.00)      | (24.00)      |
| 15    | Manjeera Developers Private Limited                | Finance Cost                             | 12.93        | 11.85        |
| 16    | Manjeera Developers Private Limited                | (Loan Taken)/Repaid - Net                | (1.00)       | (85.00)      |
| 17    | Manjeera Hospitality (Rajahmundry) Private Limited | Sub Contract Receipts                    | 721.52       | 974.73       |
| 18    | Manjeera Hospitality (Rajahmundry) Private Limited | Other Advances                           | -            | 215.67       |
| 19    | Manjeera Developers Private Limited                | Investments in Shares*                   | -            | (0.61)       |
| 20    | MTM Estate and Properties Private Limited          | Investments in Shares**                  | -            | (1.00)       |
| 21    | Vasavi Realtors LLP                                | Investment in Capital                    | 111.96       | 115.30       |
| 22    | Manjeera Estates Private Limited                   | On Behalf of Receipts/(Payments) - (Net) | 19.98        | (17.75)      |
| 23    | Manjeera Retail Holdings Private Limited           | Interest Income                          | 750.21       | 593.77       |
| 24    | Manjeera Retail Holdings Private Limited           | (Loan Given)/Repaid - Net                | 536.06       | -            |
| 25    | Vasavi Foundation for Empowerment                  | CSR Expenditure                          | -            | 9.00         |
| 26    | Manjeera Projects                                  | Other advances                           | 1.24         | -            |
| 27    | Sree Varamahalakshmi Constructions LLP             | Advance Given                            | 0.59         | 1.02         |

\* Investment in Shares-Disposed off during the period

\*\* Investment in Shares-Strike Off of Company from ROC during the period

## 35.3 Closing balances as at Year ended

| Sr.No | Party name  | Nature                                    | March 31, 2022 | March 31, 2021 |
|-------|---|---|----------------|----------------|
| 1     | G.Yoganand  | Remuneration Payable                      | 40.00 - Cr     | 16.00 - Cr     |
| 2     | Manjeera Estates Pvt Ltd                                  | Long Term Borrowings                      | 3801.76 - Cr   | 5407.29 - Cr   |
| 3     | Manjeera Hotels & Resorts Pvt Ltd                         | Loans and Advances                        | 2547.28 - Dr   | 2420.39 - Cr   |
| 4     | Aashraya Hotels & Estates Pvt Ltd                         | Long Term Borrowings                      | 1016.68 - Cr   | 966.79 - Cr    |
| 5     | GM Infra ventures Pvt. Ltd                                | Long Term Borrowings                      | 1516.45 - Cr   | 1364.15 - Cr   |
| 6     | Manjeera Developers Pvt Ltd                               | Long Term Borrowings                      | 108.56 - Cr    | 95.92 - Cr     |
| 7     | Manjeera Hospitality (Rajahmundry) Pvt Ltd                | Advances to contractors / Sub contractors | 279.85 - Dr    | 45.04 - Dr     |
| 8     | Equity Shares- Manjeera Hospitality (Rajahmundry) Pvt Ltd | Non Current Investments                   | 286.50 - Dr    | 286.50 - Dr    |
| 9     | Manjeera Hospitality (Rajahmundry) Pvt Ltd - SAM          | Advances recoverble in cash or kind       | 37.20 - Dr     | 37.20 - Dr     |
| 10    | Manjeera Retail Holdings Private Limited                  | Loans and Advances                        | 6436.36 - Dr   | 5225.10 - Dr   |
| 11    | Equity Shares- Manjeera Hospitality (Amaravati) Pvt Ltd   | Non Current Investments                   | 2.60 - Dr      | 2.60 - Dr      |
| 12    | Vasavi Realtos LLP  | Non Current Investments                   | 626.07 - Dr    | 514.11 - Dr    |
| 13    | Manjeera Retail Holdings Private Limited                  | Non Current Investments                   | 10423.78 - Dr  | 10423.78 - Dr  |
| 14    | GM Infra ventures Pvt. Ltd                                | Non Current Investments                   | 901.62 - Dr    | 901.62 - Dr    |
| 15    | Manjeera Hospitality (Amaravati) Pvt Ltd                  | Other advances                            | 3.40 - Dr      | 3.40 - Dr      |
| 16    | Manjeera Hospitality (Vijayawada) Private Limited         | Other Current Assets                      | 7.67 - Dr      | 7.67 - Dr      |
| 17    | Sree Varamahalakshmi Constructions LLP                    | Other Current Assets                      | 113.64 - Dr    | 113.05 - Dr    |
| 18    | Gajjala Investments & Holdings Private Limited            | Other advances                            | 0.48 - Dr      | 0.48 - Dr      |
| 19    | Manjeera Estates Private Limited                          | Other payables                            | 0.46 - Cr      | 0.46 - Cr      |
| 20    | Ms. Rachana   | Other Current liabilities                 | 24.00 - Cr     | 24.00 - Cr     |
| 21    | Manjeera Projects   | Other advances                            | 0.19 - Cr      | 1.44 - Cr      |

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

**36 Segment Reporting****Business segments:**

The Company has disclosed Business segment as the primary segment for reporting as defined in Ind AS 108 - Operating Segments, the Managing Director evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz, Real estate and Sub Contracted Contractual business. Details of standalone segment-wise revenue, results, assets and liabilities

|     | PARTICULARS                            | As on<br>March 31, 2022 | As on<br>March 31, 2021 |
|-----|--|-------------------------|-------------------------|
| I   | Segment revenue                        |                         |                         |
|     | Real Estates - A                       | 889.20                  | 1,357.36                |
|     | Sub-contracted contract receipts - B   | 2,880.04                | 1,348.77                |
|     | Unallocated                            | 263.88                  | 426.11                  |
|     | <b>Total Revenue from operations</b>   | <b>4,033.12</b>         | <b>3,132.25</b>         |
| II  | Segment Results                        |                         |                         |
|     | Real Estates - A                       | (1,785.21)              | (314.14)                |
|     | Sub-contracted contract receipts - B   | 2,211.96                | 446.25                  |
|     | Un allocated                           | 247.25                  | 410.53                  |
|     | <b>Profit before Other adjustments</b> | <b>673.99</b>           | <b>542.65</b>           |
|     | Less: Finance Cost                     | 1,364.01                | 1,779.91                |
|     | Less: Other Unallocable expenditure    | 351.19                  | 390.11                  |
|     | Add: Finance and other Income          | 1,097.86                | 703.17                  |
|     | <b>Total Profit before Tax</b>         | <b>56.65</b>            | <b>(924.20)</b>         |
| III | Capital Employed                       |                         |                         |
|     | (Segment assets - Segment Liabilities) |                         |                         |
|     | Real Estates - A                       | 24,913.85               | 3,485.01                |
|     | Sub-contracted contract receipts - B   | 627.99                  | 606.12                  |
|     | Un allocated                           | (15,924.65)             | 5,371.27                |
|     | <b>Total Capital employed</b>          | <b>9,617.19</b>         | <b>9,462.39</b>         |

**Geographical segment:**

The Company has operations in India only. The conditions prevailing in India being uniform, hence no separate geographical segment disclosure is considered necessary.

MANJERA CONSTRUCTIONS LIMITED

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Rs Lakhs, except share data and where otherwise stated)

37 Financial instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2022 were as follows :

|                                    | Note    | FVTPL | FVTOCI | Amortized cost   | Total carrying value | Total fair value |
|------------------------------------|---------|-------|--------|------------------|----------------------|------------------|
| <b>Financial assets:</b>           |         |       |        |                  |                      |                  |
| Investments                        | 4       | -     | -      | 12,240.57        | 12,240.57            | 12,240.57        |
| Trade receivables                  | 11      | -     | -      | 2,836.71         | 2,836.71             | 2,836.71         |
| Loans                              | 13      | -     | -      | 8,983.64         | 8,983.64             | 8,983.64         |
| Cash and Bank Balances             | 5 & 12  | -     | -      | 505.06           | 505.06               | 505.06           |
| Other financial assets             | 6 & 14  | -     | -      | 2,198.91         | 2,198.91             | 2,198.91         |
| <b>Total financial assets</b>      |         | -     | -      | <b>26,764.89</b> | <b>26,764.89</b>     | <b>26,764.89</b> |
| <b>Financial liabilities:</b>      |         |       |        |                  |                      |                  |
| Borrowings                         | 18 & 21 | -     | -      | 14,604.88        | 14,604.88            | 14,604.88        |
| Trade payables                     | 22      | -     | -      | 3,844.08         | 3,844.08             | 3,844.08         |
| Other financial liabilities        | 23      | -     | -      | 318.62           | 318.62               | 318.62           |
| <b>Total financial liabilities</b> |         | -     | -      | <b>18,767.58</b> | <b>18,767.58</b>     | <b>18,767.58</b> |

The carrying value and fair value of financial instruments by categories as at March 31, 2021 were as follows :

|                                    | Note    | FVTPL | FVTOCI | Amortized cost   | Total carrying value | Total fair value |
|------------------------------------|---------|-------|--------|------------------|----------------------|------------------|
| <b>Financial assets:</b>           |         |       |        |                  |                      |                  |
| Investments                        | 4       | -     | -      | 12,128.61        | 12,128.61            | 12,128.61        |
| Trade receivables                  | 11      | -     | -      | 2,353.18         | 2,353.18             | 2,353.18         |
| Loans                              | 13      | -     | -      | 5,225.10         | 5,225.10             | 5,225.10         |
| Cash and Bank Balances             | 5 & 12  | -     | -      | 342.98           | 342.98               | 342.98           |
| Other financial assets             | 6 & 14  | -     | -      | 2,335.56         | 2,335.56             | 2,335.56         |
| <b>Total financial assets</b>      |         | -     | -      | <b>22,385.44</b> | <b>22,385.44</b>     | <b>22,385.44</b> |
| <b>Financial liabilities:</b>      |         |       |        |                  |                      |                  |
| Borrowings                         | 18 & 21 | -     | -      | 19,355.00        | 19,355.00            | 19,355.00        |
| Trade payables                     | 22      | -     | -      | 3,715.46         | 3,715.46             | 3,715.46         |
| Other financial liabilities        | 23      | -     | -      | 222.48           | 222.48               | 222.48           |
| <b>Total financial liabilities</b> |         | -     | -      | <b>23,292.94</b> | <b>23,292.94</b>     | <b>23,292.94</b> |

Notes to financial instruments

The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, trade payables and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments. The management assessed that the fair value of borrowings approximate the carrying amount largely due to such borrowings carry floating interest rates or rates are negotiable.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Rs Lakhs, except share data and where otherwise stated)

**38 Financial risk management****Financial risk factors**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

| <b>Risk</b>                 | <b>Exposure arising from</b>   | <b>Measurement</b>          |
|-----------------------------|--|-----------------------------|
| Credit risk                 | Cash and cash equivalent, trade receivables, financial assets measured at amortized cost | Ageing analysis             |
| Liquidity risk              | Borrowings and other financial liabilities   | Rolling cash flow forecasts |
| Market risk - Interest rate | Long-term borrowings at variable rates   | Sensitivity analysis        |

**a. Credit risk**

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortized cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by accepting highly rated banks and diversifying bank deposits.

**Credit risk management**

The finance function of the Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counterparty fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

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

**Expected credit loss for trade receivables under simplified approach****Real estate business**

The Company's trade receivables does not have any expected credit loss as registration of properties sold is generally carried out once the Company receives the entire payment. During the periods presented, the Company made no write-offs of trade receivables and no recoveries from receivables previously written off. But a general provision for Expected credit loss @ 0.25% has been provided.



**b. Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

**Maturities of financial liabilities**

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

| As at March 31, 2022        | Less than 1 year | 1 years to 5 years | 5 years and above | Total            |
|-----------------------------|------------------|--------------------|-------------------|------------------|
| <b>Non-derivatives</b>      |                  |                    |                   |                  |
| Borrowings                  | 2,800.93         | 11,803.95          | -                 | 14,604.88        |
| Trade payables              | 3,844.08         | -                  | -                 | 3,844.08         |
| Other financial liabilities | 318.62           | -                  | -                 | 318.62           |
| <b>Total</b>                | <b>6,963.63</b>  | <b>11,803.95</b>   | <b>-</b>          | <b>18,767.58</b> |

| As at March 31, 2021        | Less than 1 year | 1 years to 5 years | 5 years and above | Total            |
|-----------------------------|------------------|--------------------|-------------------|------------------|
| <b>Non-derivatives</b>      |                  |                    |                   |                  |
| Borrowings                  | 870.25           | 18,484.75          | -                 | 19,355.00        |
| Trade payables              | 3,715.46         | -                  | -                 | 3,715.46         |
| Other financial liabilities | 222.48           | -                  | -                 | 222.48           |
| <b>Total</b>                | <b>4,808.19</b>  | <b>18,484.75</b>   | <b>-</b>          | <b>23,292.94</b> |

**c. Interest rate risk**

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

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

|                         | MARCH 31, 2022   | MARCH 31, 2021   |
|-------------------------|------------------|------------------|
| Variable rate borrowing | 5,786.44         | 5,857.61         |
| Fixed rate borrowing    | 8,818.44         | 13,497.39        |
| <b>Total borrowings</b> | <b>14,604.88</b> | <b>19,355.00</b> |

**Interest rate risk**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

|   | MARCH 31, 2022 | MARCH 31, 2021 |
|---|----------------|----------------|
| Interest rates – increase by 50 basis points (50 bps) | (28.93)        | (61.35)        |
| Interest rates – decrease by 50 basis points (50 bps) | 28.93          | 61.35          |

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

**39 Ratios**

**(a) Current Ratio**

| Particulars   | As on<br>March 31, 2022 | As on<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| Current Assets  | 31,199.08               | 12,678.43               |
| Current Liabilities   | 7,531.49                | 5,582.35                |
| Ratio   | 4.14                    | 2.27                    |
| <b>Reason for % change from previous year:</b> During the year the Inventory has increased to Rs.25,342.76 Lakhs from that of Rs.7,692.57 Lakhs in the previous year bringing up the Current Assets. Though there has been increase in the Current Liabilities, the increase in the Inventory has helped in improved Current Ratio. |                         |                         |

**(b) Debt-Equity Ratio**

| Particulars  | As on<br>March 31, 2022 | As on<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| Long term borrowings   | 11,804                  | 18,485                  |
| Short term borrowings  | 2,801                   | 870                     |
| <b>Total debt</b>  | <b>14,605</b>           | <b>19,355</b>           |
| Total equity   | 9,617                   | 9,552                   |
| Ratio  | 1.52                    | 2.03                    |
| There is an improvement in the Ratio as there is a reduction in the Long Term Borrowings as well as in the total equity during the current year. |                         |                         |

**(c) Debt Service Coverage ratio - Earnings available for debt services divided by Total interest and principal repayments**

| Particulars   | As on<br>March 31, 2022 | As on<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| Profit after Tax  | 65                      | (764)                   |
| <b>Add : Non cash operating expenses and finance cost</b>   |                         |                         |
| Depreciation and amortization expense   | 41                      | 32                      |
| Finance cost  | 1,364                   | 1,780                   |
| <b>Earnings available for debt service</b>  | <b>1,471</b>            | <b>1,048</b>            |
| Interest cost on borrowings   | 1,364                   | 1,780                   |
| Principal repayments  | -                       | -                       |
| <b>Total interest and principal repayments</b>  | <b>1,364</b>            | <b>1,780</b>            |
| Ratio   | 1.08                    | 0.59                    |
| <b>Reason for % change from previous year:</b> The ratio has shown an improvement primarily due to profit earned during current year as against the loss during the previous year; as also due to reduction in Finance Cost which is a result of reduction in long term Borrowings. |                         |                         |

**(d) Return on Equity Ratio/Return on Investment Ratio - Net profit after tax divided by Equity**

| Particulars   | As on<br>March 31, 2022 | As on<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| Profit after tax  | 65                      | (764)                   |
| Total equity  | 9,617                   | 9,552                   |
| Ratio   | 0.68%                   | NA                      |
| The Company does not have any transaction which is not recorded in the books of accounts that 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 |                         |                         |

(e) Inventory Turnover Ratio - Cost of materials consumed divided by average inventory

| Particulars  | As on<br>March 31, 2022 | As on<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| Purchase of Stock-in-trade   | 3,359                   | 2,590                   |
| Changes in inventories of stock-in-trade   | 17,650                  | 179                     |
| <b>Cost of materials consumed</b>  | <b>21,009</b>           | <b>2,768</b>            |
| Opening inventory  | 7,693                   | 7,514                   |
| Closing inventory  | 25,343                  | 7,693                   |
| <b>Average inventory</b>   | <b>16,518</b>           | <b>7,603</b>            |
| Ratio  | 1.27                    | 0.36                    |
| <b>Reason for % change from previous year:</b> During the current year the ratio has improved as the Inventory is increased compared to previous year i.e., increased from Rs.7,693 Lakhs to Rs.25,343 Lakhs |                         |                         |

(f) Trade Receivables turnover Ratio,

Trade Receivables Turnover Ratio - Revenue from operations divided by average trade receivables

| Particulars   | As on<br>March 31, 2022 | As on<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| Revenue from operations   | 4,033                   | 3,132                   |
| Opening Trade receivables   | 2,353                   | 2,174                   |
| Closing Trade receivables   | 2,837                   | 2,353                   |
| <b>Average Trade receivables</b>  | <b>2,595</b>            | <b>2,263</b>            |
| Ratio   | 1.55                    | 1.38                    |
| <b>Reason for % change from previous year:</b> There has been an increase in the revenue from operations during the current year compared to previous year and hence inspite of corresponding increase in the Average Trade receivables, the ratio has shown improvement. |                         |                         |

(g) Trade payables turnover Ratio,

Trade Payable Turnover Ratio - Cost of Inventory sold divided by average trade payables

| Particulars   | As on<br>March 31, 2022 | As on<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| Cost of Inventory sold  | 3,359                   | 2,590                   |
| Opening Trade payables  | 3,715                   | 3,691                   |
| Closing Trade payables  | 3,844                   | 3,715                   |
| <b>Average Trade payables</b>   | <b>3,780</b>            | <b>3,703</b>            |
| Ratio   | <b>0.89</b>             | <b>0.70</b>             |
| <b>Reason for % change from previous year:</b> The Cost of Inventory sold during the current year is relatively higher compared to the previous year with no significant change in the level of Trade Payables leading to better ratio during the current year. |                         |                         |

(h) Net capital turnover ratio,

Net Capital Turnover Ratio - Revenue from operations divided by Net Working capital where net working capital = current assets - current liabilities

| Particulars   | As on<br>March 31, 2022 | As on<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| Revenue from operations   | 4,033                   | 3,132                   |
| Net Working Capital   | 23,668                  | 7,096                   |
| Ratio   | 0.17                    | 0.44                    |
| <b>Reason for % change from previous year:</b> During the Current year Revenue from operations has increased relatively; however networking capital has gone up compared to previous year due to increase in Inventory. This has lead to a lower ratio during the current year. |                         |                         |

(i) Net profit ratio,

Net Profit Ratio - Net profit after tax divided by Sales

| Particulars  | As on<br>March 31, 2022 | As on<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| Net profit after tax   | 65                      | (764)                   |
| Net Sales  | 5,131                   | 3,835                   |
| Ratio  | 1.28%                   | -20%                    |
| <b>Reason for % change from previous year:</b> The ratio has shown an improvement primarily due to Profit earned during the current year compared to loss resulted in the previous year. |                         |                         |

(j) Return on Capital employed,

Return on Capital Employed - Earnings before interest and taxes (EBIT) divided by Capital Employed

| Particulars  | As on<br>March 31, 2022 | As on<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| Profit before tax (A)  | 57                      | (924)                   |
| Finance costs (B)  | 1,364                   | 1,780                   |
| Other Income (C)   | 1,098                   | 703                     |
| EBIT (D) - (A)+(B)-(C)   | 323                     | 153                     |
| Total equity (E)   | 9,617                   | 9,552                   |
| Non-current borrowings (F)   | 11,804                  | 18,485                  |
| Current borrowings (G)   | 2,801                   | 870                     |
| Cash and cash equivalents (H)  | 505                     | 343                     |
| Capital Employed   | 24,727                  | 29,250                  |
| Ratio  | 1.31                    | 0.52                    |
| <b>Reason for % change from previous year:</b> EBIT has increased compared to previous year and also reduction in capital employed during the current year compared to previous year. Hence there is an improvement in this ratio. |                         |                         |

(k) Return on investment

| Particulars                       | As on 31st March 2022 | As on 31st March 2021 |
|-----------------------------------|-----------------------|-----------------------|
| Investment Income                 | 111.96                | 15.10                 |
| Time weighted average investment. | 490.00                | 490.00                |
| Ratio                             | 23%                   | 3%                    |

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

**40 Capital Management**

The Company's objectives when managing capital are to:

Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors its capital using gearing ratio, which is net debt divided by total equity. Net debt includes long term borrowings, short term borrowings, current maturities of long term borrowings less cash and cash equivalents and other bank balances.

|   | MARCH 31, 2022 | MARCH 31, 2021 |
|---|----------------|----------------|
| Long term borrowings (including current maturities) | 14,604.88      | 19,355.00      |
| Less: Cash and Bank Balances                        | (505.06)       | (342.98)       |
| Net debt  | 14,099.82      | 19,012.02      |
| Total equity  | 9,617.19       | 9,551.54       |
| Gearing ratio                                       | 1.47           | 1.99           |

41 Section 186 of the Companies Act 2013 is not applicable to the Company being the Company is in business of providing infrastructural facilities i.e real estate development business covered under point 5(a) of the Schedule VI of the Companies Act, 2013.

42 As per Section 135 of the Companies Act 2013, The provisions of CSR is not applicable to the company since it does not meet the Net worth, Turnover, Net profit criteria during last three years

43 There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

44 The Company does not have any transactions with companies struck off any section 248 of Companies Act 2013 or Section 560 of Companies Act 1956.

The Company does not have any transactions with companies struck off during current year, however previous year has following

| Name of the struck of the companies       | transaction with the struck of the Company | Balance outstanding | Relation with the struck off company, if any to be disclosed |
|---|--|---------------------|--|
| MTM Estate and Properties Private Limited | Investment in securities                   | 1.00                | Subsidiary   |
|   | Receivables                                | -                   |  |
|   | Payables                                   | -                   |  |
|   | Shares held by the struck off company      | -                   |  |
|   | Other outstanding balances                 | -                   |  |

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

46 The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

47 The Company have 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:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or;

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

48 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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;

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

49 The Company does not have any transaction which is not recorded in the books of accounts that 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

50 The Company has the borrowings from banks and financial institutions on the basis of the security of the current assets.

(a) The quarterly returns or statements of the current assets filed by the company with the banks or financial institution are in agreement with the books of account.

51 The outbreak of COVID-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activities. This pandemic has impacted all the major entities in India which are in real estate segment (development and operation of the projects both residential and commercial) economy. Due to the lockdown announced by the Government, the Company's operations were slowed down/suspended for part of the current year ended March , 31 2022.

The Company's management has considered the possible effects that may result from the COVID-19 pandemic on the carrying value of assets including investments, inventories, loans, receivables, land advances and refundable deposits. The Company based on the current estimates expects that the carrying amount of these assets are fully recoverable.

The management has also estimated the future cash flows (after considering the impact of moratorium applied with banks/financial institutions) with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on realising its assets and in meeting its liabilities as and when they fall due. The Company has availed moratorium offered by lenders as per the RBI Guidelines on principal and interest for the period of 6 Months.

During the year ended as at 31.03.2022, the Company's management also made a detailed assessment of the progress of construction work on its ongoing projects during the period of lockdown and concluded that the same was only a temporary slowdown in activities and accordingly capitalised/ inventorised the borrowing costs incurred in accordance with Ind AS 23.

The Government has initiated steps to lift the lockdown and the Company has resumed its operations gradually. The Company will continue to closely observe the evolving scenario and take into account any future developments arising out of the same.

52 Previous year's figures have been regrouped/rearranged to conform to those of the current year.

For and on behalf of the Board of Directors of  
MANJEERA CONSTRUCTIONS LIMITED

G Yoganand  
Managing Director  
DIN: 00850735

K Krishna Murthy  
Director  
DIN: 01466390

Hyderabad, May 30, 2022

CH N V Rambabu  
Company Secretary  
M.No - A44763

## **INDEPENDENT AUDITOR’S REPORT**

To  
The Members of **Manjeera Constructions Limited**

Report on the Audit of the Consolidated Financial Statements

### **Qualified Opinion**

We have audited the accompanying Consolidated Financial Statements of **Manjeera Constructions Limited** (Holding Company) and its subsidiary (the Company and its subsidiary together referred to as "the Group"), and its associate comprising the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year then ended and summary of the significant accounting policies and other explanatory information ("here after 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, except to the effects of the matter discussed in the Basis for Qualified Opinion section of our report, the aforesaid Consolidated financial statements give the information required by the Companies Act 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the Consolidated Loss and its Consolidated Cash Flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) 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 independence requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI ‘s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Consolidated financial statements.

### **Basis for Qualified Opinion**

As explained in Note 35 (c) of the consolidated financial statements as at March 31, 2022, inventory of properties under development include interest cost on the borrowings capitalised in the earlier years – Rs. 2,141.55 Lakhs (Upto March 31, 2021 – Rs. 3055.98 Lakhs), which in our opinion, is not in accordance with the requirements of Indian Accounting Standards (Ind AS) 23 "Borrowing Cost". Had the Company followed the accounting principles as laid down under Ind AS 23, the balance of inventories and reserves and surplus as at March 31, 2022 would have been lower by Rs. 2,141.55 Lakhs (Upto March 31, 2021 – Rs.3,055.98 Lakhs).

### **Emphasis of Matter:**

We draw attention to Note: 44 of the consolidated financial statements which describes the uncertainties and the management’s assessment of the financial impact due to lock down and other restrictions and conditions related to CoVID – 19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent on future economic developments and circumstances as they evolve.

Our opinion is not modified in this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the

standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

| S.No | Key Audit Matters  | Auditors Response  |
|------|--|--|
| 1    | <p><b>Carrying values of Inventories (Construction work in Progress and Stock in Trade)</b></p> <p>There is a risk that the valuation of inventory may be misstated as it involves the determination of net realizable value (NRV) and estimated total construction cost of completion of each of the projects which is an area of judgement.</p> <p>Refer Notes 2.3.2 to the Consolidated Financial Statements</p>  | <p><b>Principal audit procedures</b></p> <p>We assessed the Company's process for the valuation of inventories.</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of the internal controls relating to the valuation of inventories.</li> <li>• Tested the operating effectiveness of controls for the review of estimates involved for the expected cost of completion of projects including construction cost incurred, construction budgets and net realizable value. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls.</li> </ul> <p>Selected a sample of project specific inventories and performed the procedures around:</p> <ul style="list-style-type: none"> <li>• Construction costs incurred for the project specific inventories by tracing to the supporting documents, estimated total construction cost to be incurred for completing the construction of the project and corroborated the same with the reports from external supervising engineers, where applicable. Obtained the company's assessment of NRV for the project specific inventories.</li> <li>• The expected net amounts to be realized from the sale of inventory in the ordinary course of business.</li> </ul> |
| 2    | <p><b>Fair Valuation of Non-current Investments</b></p> <p>The investments which are carried at Amortised cost involves assumptions and estimates in evaluation of inputs used for the purpose of fair valuation.</p> <p>There is a risk that these investments are subject to diminution in value of investments as at March 31, 2022</p> <p>Refer Notes 2.3.15a and 4 to the Consolidated Financial Statements</p> | <p><b>Principal audit procedures</b></p> <p>We assessed the Company's valuation methodology of non-current investments carried at amortised cost.</p> <ul style="list-style-type: none"> <li>• Evaluated the design of the internal controls relating to the valuation of non-current investments at amortised cost.</li> <li>• Tested the operating effectiveness of controls for the review of assumptions and estimates used in evaluation of inputs for the purpose of fair valuation. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls.</li> </ul> <p>For a sample of non-current investments at amortised cost we performed the following procedures:</p> <ul style="list-style-type: none"> <li>• Reviewed the latest financial statements of the investee company and evaluated the realisable value of the assets net of liabilities and tested the impairment requirements.</li> </ul>   |

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



The Group's Board of Directors is responsible for the preparation of other information. The other information comprises Corporate Governance Report but does not include the Consolidated financial statements and our auditor's report thereon.

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.

### **Management's Responsibility for the Consolidated Financial Statements**

The group's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, and Consolidated cash flows of the in accordance with The Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

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

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibility for the Audit of 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

Materiality is the magnitude of misstatements in the 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 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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter:**

We did not audit the financial statements and other financial information in respect of one subsidiary i.e GM Infra Ventures Private Limited, whose Financial Statements reflect Group's share of total assets of Rs. 1900.00 Lakhs as at March 31, 2022, Group's share of total revenue of Rs. 123.66 Lakhs and Group's share of total net profit after tax of Rs. 83.08 Lakhs before giving effect to the consolidated adjustments for the year ended on that date respectively, as considered in the consolidated Financial statements, which have been audited by their respective independent auditors. The independent auditors' reports on standalone financial statements of these entities 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 entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above

Our opinion above on the consolidated financial statements and our report on Other Legal and Regulatory Requirement below is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the financial statements and other financial information certified by the Management.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the Other auditors on separate financial statements and other financial information of the subsidiary

companies and one associate, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph (3xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditors on separate financial statements and other financial information of the subsidiaries and associates as noted in the 'Other matter' paragraph, we report, to the extent applicable that:
  - a) We / other auditors whose reports we have relied upon, 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 have been kept by the Group so far as it appears from our examination of those books.
  - c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended except as stated in the Qualified Opinion section and Basis for Qualified Opinion section of this report.
  - 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 the Holding Company and the reports of the other statutory auditors of its subsidiary company, incorporated in India, none of the other directors of the Group's companies 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 Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' report of the Holding Company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting in the Holding Company and its subsidiary companies incorporated in India
  - 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
    - i. The Consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associated - Refer Note no 34 and 35 to consolidated financial statements;
    - ii. Provision has been made in the consolidated financials statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts; and

- iii. There has been no delay in transferring amounts that are required to be transferred by the Holding Company and no amounts are required to be transferred to the Investor Education and Protection Fund by the subsidiaries for the year ended March 31, 2022.
- iv.
  - (a) the respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented that, to the best of its knowledge and belief, 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 company to or in any other person or entity, 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 company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) the respective management of the Holding Company and its subsidiaries which are the companies incorporated in India whose financial statements have been audited under the Act have represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or any of such subsidiaries from any person or entities, including foreign entities (“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; and
  - (c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India, nothing has come to our notice that has caused us 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 mis-statement.
- v) The Holding Company and subsidiaries have not declared or paid any dividend during the year .

**For M Bhaskara Rao & Co**  
Chartered Accountants  
Firm Registration No: 000 459 S

P. Swathi  
Partner  
Membership No. 513946  
Place: Hyderabad  
Date: May 30, 2022  
UDIN: 22513946AJXQDE8084

**Re: Manjeera Constructions Limited**

With respect to the matters specified in clause (xxi) of paragraph (3) and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that in respect of those companies where audits have been completed under section 143 of the Act, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except for the following:

| <b>Name of the Company</b>               | <b>CIN</b>            | <b>Nature of relationship</b> | <b>Clause number of the CARO report which is qualified or adverse.</b> |
|--|-----------------------|-------------------------------|--|
| Manjeera Retail Holdings Private Limited | U72200TG2000PTC033700 | Wholly owned Subsidiary       | Clause – i (c) and ix(a)   |

**For M Bhaskara Rao & Co**  
Chartered Accountants  
Firm Registration No: 000 459 S

P. Swathi  
Partner  
Membership No. 513946  
UDIN: 22513946AJXQDE8084  
Place: Hyderabad  
Date: May 30, 2022

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of Manjeera Constructions Limited (hereinafter referred to as the “the Holding Company”) as of March 31, 2022 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

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

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

#### **Auditor’s Responsibility**

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting 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 may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Group has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Group's internal financial controls over financial reporting were operating effectively as of March 31, 2022.

For M Bhaskara Rao & Co  
Chartered Accountants  
Firm Registration No: 000 459 S

P. Swathi  
Partner  
Membership No. 513946  
Place: Hyderabad  
Date: May 30, 2022  
UDIN: 22513946AJXQDE8084

MANJEERA CONSTRUCTIONS LIMITED  
CIN: L45200TG1987PLC007228  
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022  
(All amounts in Lakhs , except share data and where otherwise stated)

| Particulars   | NOTE | Consolidated      | Consolidated      |
|---|------|-------------------|-------------------|
|   |      | March 31, 2022    | March 31, 2021    |
| <b>ASSETS</b>   |      |                   |                   |
| <b>Non Current Assets</b>   |      |                   |                   |
| Property, Plant and Equipment   | 3    | 270.71            | 315.42            |
| Investment Property   | 3.1  | 17,608.70         | 18,493.49         |
| Good Will   | 3.2  | 2,887.89          | 2,887.89          |
| Other Intangible Assets   | 3.2  | 7.29              | 5.32              |
| <b>Financial Assets</b>   |      |                   |                   |
| Investments   | 4    | 910.78            | 798.82            |
| Bank balances   | 5    | 43.54             | 112.14            |
| Other Financial Assets  | 6    | 2,075.12          | 2,300.13          |
| Loans & Advances  | 12   | 2,547.28          | -                 |
| Non Current Tax Assets (Net)  | 7    | 515.62            | 391.27            |
| Deferred Tax Assets (Net)   | 20   | 135.07            | 89.15             |
| Other Non Current Assets  | 8    | 698.86            | 13.40             |
| <b>Total Non - Current Assets</b>   |      | <b>27,700.85</b>  | <b>25,407.02</b>  |
| <b>Current Assets</b>   |      |                   |                   |
| Inventories   | 9    | 32,398.93         | 17,590.34         |
| <b>Financial Assets</b>   |      |                   |                   |
| Trade Receivables   | 10   | 4,673.21          | 4,719.06          |
| Cash and Cash Equivalents   | 11.1 | 374.59            | 414.14            |
| Bank balances other than above  | 11.2 | 149.03            | 154.88            |
| Other Financial Assets  | 13   | 371.62            | 284.26            |
| Other Current Assets  | 14   | 2,458.05          | 2,899.67          |
| <b>Total Current Assets</b>   |      | <b>40,425.44</b>  | <b>26,062.35</b>  |
| <b>Total Assets</b>   |      | <b>68,126.28</b>  | <b>51,469.37</b>  |
| <b>EQUITY AND LIABILITIES</b>   |      |                   |                   |
| <b>Equity</b>   |      |                   |                   |
| Equity Share Capital  | 15   | 1,250.84          | 1,250.84          |
| Other Equity  | 16   | (6,760.55)        | (2,520.78)        |
| Non Controlling Interest  |      |                   | -                 |
| <b>Total Equity</b>   |      | <b>(5,509.70)</b> | <b>(1,269.94)</b> |
| <b>Liabilities</b>  |      |                   |                   |
| <b>Non Current Liabilities</b>  |      |                   |                   |
| <b>Financial Liabilities</b>  |      |                   |                   |
| Borrowings  | 17   | 22,778.33         | 31,848.75         |
| Other Financial Liabilities   | 18   | 8.43              | 303.95            |
| Provisions  | 19   | 61.79             | 55.21             |
| Deferred Tax Liabilities (Net)  | 20   | -                 | -                 |
| Other Non Current Liabilities   | 21   | 27,523.66         | 966.91            |
| <b>Total Non Current Liabilities</b>  |      | <b>50,372.21</b>  | <b>33,174.83</b>  |
| <b>Current Liabilities</b>  |      |                   |                   |
| <b>Financial Liabilities</b>  |      |                   |                   |
| Borrowings  | 22   | 9,342.09          | 5,712.97          |
| Trade Payables  | 23   |                   |                   |
| Total outstanding dues of micro and small enterprises                           |      | 1.09              | 4.39              |
| Total outstanding dues of creditors other than micro and small enterprises      |      | 2,938.28          | 3,090.37          |
| Other Financial Liabilities   | 24   | 8,418.81          | 6,844.84          |
| Provisions  | 25   | 4.82              | 3.12              |
| Current Tax Liabilities (Net)   | 26   | 19.43             | 29.61             |
| Other Current Liabilities   | 27   | 2,539.25          | 3,879.18          |
| <b>Total Current Liabilities</b>  |      | <b>23,263.77</b>  | <b>19,564.49</b>  |
| <b>Total Equity and Liabilities</b>   |      | <b>68,126.28</b>  | <b>51,469.37</b>  |
|   |      | (0.00)            | 0.00              |
| <b>Accompanying notes forming part of the consolidated financial statements</b> |      |                   |                   |

As per our report of even date attached  
M. Bhaskara Rao & Co  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of  
MANJEERA CONSTRUCTIONS LIMITED

G Yoganand  
Managing Director  
DIN: 00850735

K Krishna Murthy  
Director  
DIN: 01466390

P Swathi  
Partner  
M.No. 513946  
Hyderabad, May 30, 2022

CH N V Rambabu  
Company Secretary  
M.No - A44763



**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Lakhs , except share data and where otherwise stated)

| Particulars  | NOTE | For the year ended<br>March 31, 2022 | For the year ended<br>March 31, 2021 |
|--|------|--------------------------------------|--------------------------------------|
| Revenue from Operations  | 28   | 9,804.16                             | 6,354.65                             |
| Other Income   | 29   | 559.79                               | 183.91                               |
| <b>Total Income (A)</b>  |      | <b>10,363.95</b>                     | <b>6,538.56</b>                      |
| <b>EXPENSES</b>  |      |                                      |                                      |
| Cost of Sales  | 30   | 6,178.71                             | 2,898.30                             |
| Employee Benefits Expense  | 31   | 314.25                               | 348.33                               |
| Finance Costs  | 32   | 5,255.73                             | 5,599.11                             |
| Depreciation and Amortization Expense (Note 3, 3.1 and 3.2)        | 3    | 602.55                               | 608.84                               |
| Other Expense  | 33   | 2,224.54                             | 2,295.01                             |
| <b>Total Expenses (B)</b>  |      | <b>14,575.78</b>                     | <b>11,749.59</b>                     |
| <b>Profit Before share of profit in Associate</b>                  |      | <b>(4,211.82)</b>                    | <b>(5,211.02)</b>                    |
| Share of Loss in Associate   |      | -                                    | -                                    |
| <b>Profit Before Tax</b>   |      | <b>(4,211.82)</b>                    | <b>(5,211.02)</b>                    |
| Current Tax  | 34   | -                                    | 45.71                                |
| Incometax relating to earlier periods                              |      | 75.85                                | -                                    |
| Deferred Tax   |      | (46.00)                              | (160.26)                             |
| (D)  |      | <b>29.85</b>                         | <b>(114.54)</b>                      |
| <b>Profit for the period (C-D=E)</b>                               |      | <b>(4,241.67)</b>                    | <b>(5,096.48)</b>                    |
| <b>Other comprehensive income / (loss)</b>                         |      |                                      |                                      |
| Items that will not be reclassified to profit or loss              |      |                                      |                                      |
| Remeasurements of the defined benefit plans                        |      | 1.99                                 | 24.63                                |
| Income tax on above  |      | (0.08)                               | (4.01)                               |
| <b>Other comprehensive income / (loss) for the year. (F)</b>       |      | <b>1.91</b>                          | <b>20.62</b>                         |
| <b>Total comprehensive income for the year. (E+F=G)</b>            |      | <b>(4,239.76)</b>                    | <b>(5,075.86)</b>                    |
| <b>Profit for the year attributable to:</b>                        |      |                                      |                                      |
| a) Owners of the Company   |      | <b>(4,241.67)</b>                    | <b>(5,096.48)</b>                    |
| b) Non Controlling Interest  |      | -                                    | -                                    |
| <b>Other Comprehensive Income/ (loss)</b>                          |      |                                      |                                      |
| a) Owners of the Company   |      | <b>1.91</b>                          | <b>20.62</b>                         |
| b) Non Controlling Interest  |      | -                                    | -                                    |
| <b>Total Comprehensive Income</b>                                  |      |                                      |                                      |
| a) Owners of the Company   |      | <b>(4,239.76)</b>                    | <b>(5,075.86)</b>                    |
| b) Non Controlling Interest  |      | -                                    | -                                    |
| <b>Earnings per share of face value of ` 10 each.</b>              |      |                                      |                                      |
| Basic and Diluted - `  | 43   | <b>(33.91)</b>                       | <b>(40.74)</b>                       |
| <b>Accompanying notes forming part of the financial statements</b> |      |                                      |                                      |

As per our report of even date attached  
M. Bhaskara Rao & Co  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of  
MANJEERA CONSTRUCTIONS LIMITED

G Yoganand  
Managing Director  
DIN: 00850735

K Krishna Murthy  
Director  
DIN: 01466390

P Swathi  
Partner  
M.No. 513946  
Hyderabad, May 30, 2022

CH N V Rambabu  
Company Secretary  
M.No - A44763

MANJEERA CONSTRUCTIONS LIMITED  
CIN: L45200TG1987PLC007228  
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022  
(All amounts in Rs Lakhs, except share data and where otherwise stated)

|  | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2021 |
|--|------------------------------|------------------------------|
| <b>A. Cash flows from operating activities</b>   |                              |                              |
| Profit before tax  | (4,211.82)                   | (5,211.02)                   |
| <b>Adjustments for:</b>  |                              |                              |
| Depreciation and amortisation expense  | 602.55                       | 608.84                       |
| Finance costs  | 5,255.73                     | 5,599.11                     |
| Interest income  | (14.74)                      | (67.35)                      |
| Deferred Expenditure Written off   | (1.43)                       | 36.56                        |
| Profit on sale of fixed assets   | (219.70)                     | -                            |
| Security deposits (Fair Value Adjustments)   | -                            | (149.09)                     |
|  | <b>1,410.59</b>              | <b>817.05</b>                |
| <b>Operating profit before working capital changes</b>   | <b>1,410.59</b>              | <b>817.05</b>                |
| <b>Changes in working capital:</b>   |                              |                              |
| Adjustments for (increase) / decrease in operating assets:   |                              |                              |
| (Increase) / Decrease in Inventories   | (14,808.59)                  | 119.87                       |
| (Increase) / Decrease in Trade receivables   | 45.85                        | 209.12                       |
| (Increase) / Decrease in Loans   | (2,547.28)                   | -                            |
| (Increase) / Decrease in other financial assets  | (87.36)                      | (18.68)                      |
| (Increase) / Decrease in other Other Current Assets  | 441.62                       | (151.92)                     |
| (Increase) / Decrease in other Other Non Current Assets  | (684.03)                     | (0.45)                       |
| <b>Adjustments for increase / (decrease) in operating liabilities:</b>                                       |                              |                              |
| (Decrease) / Increase in Trade payables  | (155.39)                     | (3,741.48)                   |
| (Decrease) / Increase in other current liabilities   | (1,350.10)                   | 252.31                       |
| (Decrease) / Increase in Other Financial Liabilities   | 1,278.44                     | 8,133.14                     |
| (Decrease) / Increase in Borrowings  | 3,629.11                     | 13.71                        |
| (Decrease) / Increase in Provisions  | 10.26                        | 11.86                        |
| (Decrease) / Increase in other Other Non Current Liabilities   | 26,556.75                    | (38.38)                      |
|  | <b>12,329.29</b>             | <b>4,789.09</b>              |
| Cash generated from operations   | <b>13,739.88</b>             | <b>5,606.14</b>              |
| Net income tax Refunds / (Paid)  | (200.20)                     | 755.03                       |
| <b>Net cash flow from operating activities (A)</b>   | <b>13,539.68</b>             | <b>6,361.17</b>              |
| <b>B. Cash flow from investing activities</b>  |                              |                              |
| Capital expenditure for Property, Plant and Equipment, Investment Property, Intangible Assets including CWIP | 324.98                       | (67.76)                      |
| Proceeds from disposal of Property, Plant and Equipment, Investment Property                                 | 219.70                       | 561.34                       |
| Bank balances not considered as Cash and cash equivalents  | 68.60                        | (16.72)                      |
| Interest received  | 14.74                        | 16.07                        |
| Non current advances   | 225.02                       | (249.06)                     |
| Increase in Investments  | (111.96)                     | (111.66)                     |
| <b>Net cash flow from investing activities (B)</b>   | <b>741.08</b>                | <b>132.21</b>                |
| <b>C. Cash flow from financing activities</b>  |                              |                              |
| Repayment of Long term borrowings  | (9,526.22)                   | (1,804.11)                   |
| Proceeds from Long term borrowings   | 455.80                       | 567.00                       |
| Net increase / (decrease) in working capital borrowings  | -                            | -                            |
| Finance cost   | (5,255.73)                   | (5,450.01)                   |
| Dividend & Tax on dividend paid  |                              |                              |
| <b>Net cash flow used in financing activities (C)</b>  | <b>(14,326.15)</b>           | <b>(6,687.13)</b>            |
| Net increase / (decrease) in Cash and cash equivalents (A+B+C)   | (45.40)                      | (193.75)                     |
| Cash and cash equivalents at the beginning of the year   | 569.02                       | 762.77                       |
| <b>Effect of exchange differences on restatement of foreign currency Cash and Cash Equivalents</b>           | <b>-</b>                     | <b>-</b>                     |
| <b>Cash and cash equivalents at the end of the year</b>  | <b>523.62</b>                | <b>569.02</b>                |
| Reconciliation of Cash and cash equivalents with the Balance Sheet:  |                              |                              |
| <b>Cash and cash equivalents</b>   |                              |                              |
| <b>Cash and cash equivalents at the end of the year</b>  | <b>523.62</b>                | <b>569.02</b>                |
|  | <b>523.62</b>                | <b>569.02</b>                |
| <b>Note: Figures in brackets represents cash outflows.</b>   | 0.21                         | (0.04)                       |

See accompanying notes forming part of the Consolidated financial statements

As per our report of even date attached  
M. Bhaskara Rao & Co  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of  
MANJEERA CONSTRUCTIONS LIMITED

G Yoganand  
Managing Director  
DIN: 00850735

K Krishna Murthy  
Director  
DIN: 01466390

P Swathi  
Partner  
M.No. 513946  
Hyderabad, May 30, 2022

CH N V Rambabu  
Company Secretary  
M.No - A44763

**MANJEERA CONSTRUCTIONS LIMITED**

**Consolidated Statement of Changes in Equity for the year ended March 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

**A. Equity share capital**

|   | Number of<br>shares | Amount<br>(` in Rs.) |
|---|---------------------|----------------------|
| Balance as at March 31, 2020                  | 1,25,08,418         | 1,250.84             |
| Add: Equity shares allotted during the year   | -                   | -                    |
| <b>Balance as at March 31, 2021</b>           | <b>1,25,08,418</b>  | <b>1,250.84</b>      |
| Add: Equity shares allotted during the period | -                   | -                    |
| <b>Balance as at March 31, 2022</b>           | <b>1,25,08,418</b>  | <b>1,250.84</b>      |

**B. Other Equity**

**Outstanding as at 31st Mar'2022**

|   | Securities<br>Premium | General Reserve | Retained<br>Earnings | Other items of<br>Other<br>Comprehensive<br>Income (specify<br>nature) | Total             |
|---|-----------------------|-----------------|----------------------|--|-------------------|
| Balance at the beginning of the current reporting period          | 1,501.01              | 270.00          | (4,432.21)           | 140.42   | (2,520.78)        |
| Changes in accounting policy or prior period errors               | -                     | -               | -                    | -  | -                 |
| Restated balance at the beginning of the current reporting period | -                     | -               | -                    | -  | -                 |
| Total Comprehensive Income for the current year                   | -                     | -               | (4,241.67)           | 1.91   | (4,239.76)        |
| Dividends   | -                     | -               | -                    | -  | -                 |
| Transfer to retained earnings                                     | -                     | -               | -                    | -  | -                 |
| Any other change (to be specified)                                | -                     | -               | -                    | -  | -                 |
| <b>Balance at the end of the current reporting period</b>         | <b>1,501.01</b>       | <b>270.00</b>   | <b>(8,673.88)</b>    | <b>142.33</b>  | <b>(6,760.55)</b> |

**Outstanding as at 31st Mar'2021**

|   | Securities<br>Premium | General Reserve | Retained<br>Earnings | Other items of<br>Other<br>Comprehensive<br>Income (Actuarial<br>gain/Loss) | Total             |
|---|-----------------------|-----------------|----------------------|---|-------------------|
| Balance at the beginning of the current reporting period          | 1,501.01              | 270.00          | 664.27               | 119.80  | 2,555.07          |
| Changes in accounting policy or prior period errors               | -                     | -               | -                    | -   | -                 |
| Restated balance at the beginning of the current reporting period | -                     | -               | -                    | -   | -                 |
| Total Comprehensive Income for the current year                   | -                     | -               | (5,096.48)           | 20.62   | (5,075.86)        |
| Dividends   | -                     | -               | -                    | -   | -                 |
| Transfer to retained earnings                                     | -                     | -               | -                    | -   | -                 |
| Any other change (to be specified)                                | -                     | -               | -                    | -   | -                 |
| <b>Balance at the end of the current reporting period</b>         | <b>1,501.01</b>       | <b>270.00</b>   | <b>(4,432.21)</b>    | <b>140.42</b>   | <b>(2,520.78)</b> |

**Accompanying notes forming part of the financial statements**

As per our report of even date attached  
M. Bhaskara Rao & Co  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of  
MANJEERA CONSTRUCTIONS LIMITED

G Yoganand  
Managing Director  
DIN: 00850735

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Director  
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P Swathi  
Partner  
M.No. 513946  
Hyderabad, May 30, 2022

CH N V Rambabu  
Company Secretary  
M.No - A44763

## Note 1 & 2

CIN: L45200TG1987PLC007228

### NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Rs Lakhs, except share data and where otherwise stated)

#### 1 Corporate Information

Manjeera Constructions Limited is a company registered in India under the companies act,1956, having its registered office at 711, Manjeera Trinity Corporate, JNTU and Hitech City Road, KPHB Colony, Hyderabad - 500072 is in the business of property development, civil construction contracts, infrastructure projects development and Windmill Energy Production.

#### 2 Significant accounting policies:

##### 2.1 Statement of compliance:

2.1.a These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017 as applicable.

2.1.b The consolidated financial statements were authorised for issue by the Company's Board of Directors at its meeting held on May 30, 2022.

2.1.c Details of the Company's accounting policies are included here under in this Note.

##### 2.1.d Functional and presentation currency

These Consolidated financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded-off to two decimal places to the nearest Lakhs, unless otherwise indicated.

##### 2.1.e Basis of measurement:

The Consolidated financial statements have been prepared on the historical cost basis except for the following items:

| Items                                    | Measurement basis   |
|--|---|
| Certain financial assets and liabilities | Fair value  |
| Share-based payments                     | Fair value  |
| Net defined benefit (asset)/ liability   | Fair value of plan assets less present value of defined benefit obligations |

##### 2.1.f Measurement of fair values

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

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

The Principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level inputs that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level inputs that is significant to the fair value measurement is unobservable.

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

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

**Note 1 & 2**

CIN: L45200TG1987PLC007228

**2.1.g Use of estimates:**

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

**Estimates**

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**Judgements**

Critical judgements in applying accounting policies: The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statement.

**Key sources of estimation uncertainty:** The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

| <b>Items requiring significant estimate</b>  | <b>Assumption and estimation uncertainty</b>  |
|--|---|
| Provision for doubtful receivables (Refer Note no 10)  | The company makes provision for Expected Credit loss based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.   |
| Estimation of net realisable value of inventories (Refer Note no 9)  | Inventories are stated at the lower of cost and Fair value. In estimating the net realisable value / Fair value of Inventories the Company makes an estimate of future selling prices and costs necessary to make the sale.   |
| Provision for employee benefits (Refer Note no 18)   | The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.   |
| Provision for taxes (Refer Note no 25)   | Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions.  |
| Useful lives of Property, Plant and Equipment (Refer Note no 3)  | The company reviews the estimated useful lives of property plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.  |
| Fair value measurements and valuation processes  | In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Finance team works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the valuation committee's findings to the board of fluctuations in the fair value of the assets and liabilities.  |
| Determination of the timing of revenue recognition on the sale of completed and under development property | The Company has evaluated and generally concluded that the recognition of revenue over the period of time criteria are not met owing to non-enforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time. The Company has further evaluated and concluded that based on the analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate.   |
| Determination of performance obligations   | With respect to the sale of property, the Company has evaluated and concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the Company is responsible for all these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Company accounts for them as a single performance obligation because they are not distinct in the context of the contract. |

## Note 1 & 2

CIN: L45200TG1987PLC007228

### 2.1.h Current Versus Non-current classification

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

i) An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

ii) All other assets are classified as non-current.

iii) A liability is classified as current when:

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

iv) All other liabilities are classified as non-current.

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

## 2.2 Principles of Consolidation

The Consolidated Financial Statements comprises Manjeera Constructions limited ("the Holding Company") and its subsidiaries as at March 31, 2022 and for THE YEAR ENDED on that date. The Consolidated Financial statement have been prepared on the following basis:

a) The financial statements of the company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, Income and expenses after fully eliminating Intra-Group balances and Intra group Transactions resulting in unreleased profit or loss in accordance with IND AS (INDAS) 110 on consolidated Financial statements notified under the companies (Indian Accounting standards) Rules 2015.

b) The Financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the company i.e. March 31.

c) The Excess of Cost to the company of its investments in the subsidiaries over the company's portion of equity is recognised in the Financial statements as Goodwill.

## 2.3 Significant accounting policies

### 2.3.1 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the collectability is reasonably assured.

#### 2.3.1.a Real estate sales - Ind AS 115 – Revenue from contracts with customers

The Company develops and sells residential properties. Revenue from contracts is recognised when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer and the development of the property is completed. The revenue is measured at the transaction price agreed under the contract.

#### 2.3.1.b Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rates applicable. Interest income is included in the finance income in the statement of profit or loss.

#### 2.3.1.c Tenant recoveries

Tenant recoveries related to maintenance and other charges are recognized on an accrual basis in accordance with the terms of the lease agreement with the tenant.

#### 2.3.1.d On Construction Contracts (Undertaken as Contractors)

The Group follows percentage completions methods for accounting of Constructions Contracts undertaken

#### 2.3.1.e Windmill energy sales are accounted on sales accrued

#### 2.3.1.f Price escalation is carried out in the year of settlement of claims/ bills.

#### 2.3.1.g Dividend income is accounted when the right to receive dividend is established.

#### 2.3.1.h Rental income

Rental income from leases with scheduled rent increases, incentives, and other rent adjustments is recognized on a straight-line basis over the respective lease term. Amounts recognized as income in the current year and expected to be received in later years is disclosed as "Accrued rental income". Amounts received in the current year but recognized as income in future years, are disclosed as "Unearned rental income". Recognition of rental income is commenced from the date determined based on terms of lease agreements.

### 2.3.2 Inventories:

Inventory comprises properties under development and construction materials.

Properties under development consists of cost of Land, Land Development expenses, Construction Cost, Interest and Financial Charges and other expenses and is valued at lower of cost and net realisable value

Construction material is valued at lower of cost and net realizable value. Cost is determined based on first-in-first out basis.

## Note 1 & 2

CIN: L45200TG1987PLC007228

### 2.3.3 Leases :

#### Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term except where scheduled increase in rent compensates the company with expected inflationary costs.

### 2.3.4 Employee Benefits:

Employee benefits include provident fund, gratuity fund and compensated absences.

#### 2.3.4.a Provident Fund

Retirement benefit in the form of a provident fund is a defined contribution scheme and contributions are charged to the Statement of Profit and Loss of the Year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective authorities.

#### 2.3.4.b Gratuity

Gratuity is a post - employment defined benefit obligation

Liability on account of gratuity is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date and charged to Statement of Profit and Loss. Actuarial gains and losses are recognized in the Statement of Profit and Loss - Other Comprehensive Income, in the period in which such gains or losses arises.

#### 2.3.4.c Compensated Absences

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year- end. Actuarial gains and losses are immediately taken to the Statement of Profit and Loss.

### 2.3.4 Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use are capitalized as part of the cost of such assets. Interest income earned on the temporary investment of specific borrowings pending its expenditure on qualifying assets is deducted from the costs of qualifying assets. Other borrowing costs are recognised as an expense, in the period in which they are incurred.

### 2.3.5 Taxation

Income tax expense represents sum of the tax currently payable and deferred tax

#### 2.3.5.a Current Tax: Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

#### 2.3.5.b Deferred tax

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

#### 2.3.5.c Current and deferred tax

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## Note 1 & 2

CIN: L45200TG1987PLC007228

### 2.3.6 Property, plant and equipment:

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost of Property, plant and equipment comprises of purchase price, applicable duties and taxes, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use. "The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is required to be included in the cost of the respective item of property plant and equipment" and "Cost of major inspections is recognised in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognised"

Property, Plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

An item of property, plant and equipment is derecognised 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 property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

### 2.3.7 Investment Property:

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the Ind AS16's requirement for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised.

### 2.3.8 Depreciation and Amortisation:

2.3.8.a Depreciable amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value.

Depreciation on Property, Plant and equipment and Investment Property has been provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013

|                      |          |
|----------------------|----------|
| Building             | 60 Years |
| Plant and equipment  | 15 Years |
| Electrical equipment | 10 Years |
| Office equipments    | 5 Years  |
| Furniture & fixtures | 8 Years  |
| Computers            | 3 Years  |
| Vehicles             | 8 Years  |

Cost of assets not ready for use at the balance sheet date are disclosed under capital work-in-progress.

### 2.3.8.b Intangible assets

Intangible assets acquired separately are measured on initial recognition cost and are amortized on Straight Line Method based on the estimated useful economic life.

The amortized period and amortization method are reviewed at each financial year end.

### 2.3.9 Impairment of Assets:

Intangible assets and property, plant and equipment 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 CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.



## Note 1 & 2

CIN: L45200TG1987PLC007228

### 2.3.10 Foreign currency transactions and translation

#### Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

#### Exchange differences

Exchange differences arising on the settlement of monetary items or on the reporting of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as gains or losses in the year in which they arise.

### 2.3.11 Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise of cash at bank and on hand and include short term investments with an original maturity of three months or less.

### 2.3.12 Segment reporting

#### Identification of segments

The Group is primarily engaged in the businesses of real estate development and also in the business of undertaking the infra Projects which as per Ind AS 108 on 'Operating Segments' and both of them are considered to be the reportable business segments. One of the subsidiaries, Manjeera Retail Holdings Pvt. Ltd, apart from the Real estate it is also engaged in the Leasing business for which the segment reporting is also provided. The Group is operating in India and considered as single geographical segment for reporting purpose.

#### Unallocated items:

Unallocated items include general corporate income and expenses which are not allocated to any business segment.

#### Segment Policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

### 2.3.13 Earnings Per Share :

Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

### 2.3.14 Provisions, Contingent Liabilities and Contingent Assets :

The Group recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are disclosed in the financial statements when flow of economic benefit is probable.

## Note 1 & 2

CIN: L45200TG1987PLC007228

### 2.3.15 Financial instruments:

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### 2.3.15.a Financial assets

Financial asset is

1. Cash / Equity Instrument of another Entity,
2. Contractual right to -
  - a) receive Cash / another Financial Asset from another Entity, or
  - b) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.

#### Subsequent measurement of the financial assets

##### (i) Financial assets carried at amortised cost

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

##### (ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in case where the company has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

##### (iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

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

#### 2.3.15.b Financial liabilities

Financial liability is

Contractual Obligation to

- a) deliver Cash or another Financial Asset to another Entity, or
- b) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially unfavourable to the Entity.

#### Subsequent measurement of the financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

#### Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

### 2.3.16 Cash Flow Statement:

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

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### 2.3.17 Exceptional Items:

Exceptional Items represents the nature of transactions which are not in recurring nature during the ordinary course of business but lead to increase / decrease in profit / loss for the year.

**MANJEERA CONSTRUCTIONS LIMITED**
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

**Note 3**
**Property, Plant & Equipment and Capital Work-in-Progress:**
**Carrying Amount:**

|                      | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|----------------------|-------------------------|-------------------------|
| Freehold Land        | 1.68                    | 1.68                    |
| Plant and Machinery  | 134.77                  | 149.09                  |
| Electrical Equipment | 10.74                   | 13.12                   |
| Furniture & Fixtures | 78.47                   | 87.87                   |
| Vehicles             | 20.04                   | 41.29                   |
| Office Equipment     | 20.71                   | 17.01                   |
| Computers            | 4.29                    | 5.36                    |
| <b>Total</b>         | <b>270.71</b>           | <b>315.42</b>           |
|                      |                         |                         |

**Cost or deemed Cost:**

|                                     | Land | Plant and<br>Machinery | Electrical<br>Equipments | Furniture &<br>Fixtures | Vehicles | Office<br>Equipment | Computers | Total    |
|-------------------------------------|------|------------------------|--------------------------|-------------------------|----------|---------------------|-----------|----------|
| <b>Balance as at March 31, 2020</b> | 1.68 | 589.81                 | 39.55                    | 156.26                  | 154.99   | 33.89               | 73.01     | 1,049.19 |
| Additions                           | -    | -                      | 0.02                     | 9.42                    | -        | 15.01               | 0.70      | 25.16    |
| Disposals/Adjustments               | -    | -                      | -                        | -                       | -        | -                   | -         | -        |
| <b>Balance as at March 31, 2021</b> | 1.68 | 589.81                 | 39.58                    | 165.68                  | 154.99   | 48.90               | 73.71     | 1,074.35 |
| Additions                           | -    | 0.96                   | -                        | 7.68                    | -        | 8.34                | 2.67      | 19.65    |
| Disposals/Adjustments               | -    | -                      | -                        | -                       | 2.56     | -                   | -         | 2.56     |
| <b>Balance as at March 31, 2022</b> | 1.68 | 590.77                 | 39.58                    | 173.35                  | 152.43   | 57.24               | 76.39     | 1,091.44 |

**Accumulated depreciation**

|                                     | Land | Plant and<br>Machinery | Electrical<br>Equipments | Furniture &<br>Fixtures | Vehicles | Office<br>Equipment | Computers | Total  |
|-------------------------------------|------|------------------------|--------------------------|-------------------------|----------|---------------------|-----------|--------|
| <b>Balance as at March 31, 2020</b> | -    | 428.13                 | 23.79                    | 62.26                   | 103.39   | 28.01               | 63.22     | 708.80 |
| Depreciation / Amortization         | -    | 12.59                  | 2.67                     | 15.55                   | 10.32    | 3.88                | 5.13      | 50.13  |
| Disposals/Adjustments               | -    | -                      | -                        | -                       | -        | -                   | -         | -      |
| <b>Balance as at March 31, 2021</b> | -    | 440.72                 | 26.45                    | 77.81                   | 113.71   | 31.88               | 68.36     | 758.93 |
| Depreciation / Amortization         | -    | 15.28                  | 2.38                     | 17.08                   | 18.68    | 4.64                | 3.74      | 61.79  |
| Disposals/Adjustments               | -    | -                      | -                        | -                       | -        | -                   | -         | -      |
| <b>Balance as at March 31, 2022</b> | -    | 456.00                 | 28.83                    | 94.89                   | 132.39   | 36.53               | 72.09     | 820.72 |

Note: Refer note 17 and 22 for details of assets pledged.

MANJEERA CONSTRUCTIONS LIMITED  
 NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022  
 (All amounts in Rs Lakhs, except share data and where otherwise stated)

Note 3.1

Investment property:

Carrying Amount:

|                      | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|----------------------|-------------------------|-------------------------|
| Land                 | 4,754.01                | 5,251.41                |
| Buildings            | 11,251.66               | 11,313.69               |
| Plant and Machinery  | 1,454.61                | 1,666.27                |
| Electrical Equipment | 120.01                  | 191.48                  |
| Furniture & Fixtures | 28.41                   | 70.64                   |
| <b>Total</b>         | <b>17,608.70</b>        | <b>18,493.49</b>        |

Cost or deemed Cost:

|                                     | Land - Freehold | Buildings        | Plant and<br>Machinery | Electrical<br>Equipment | Furniture &<br>Fixtures | Total            |
|-------------------------------------|-----------------|------------------|------------------------|-------------------------|-------------------------|------------------|
| <b>Balance as at March 31, 2020</b> | <b>5,812.76</b> | <b>12,339.20</b> | <b>2,696.81</b>        | <b>544.80</b>           | <b>320.13</b>           | <b>21,713.69</b> |
| Additions                           | -               | 42.60            | -                      | -                       | -                       | 42.60            |
| Disposals / Adjustments             | 561.34          | -                | -                      | -                       | -                       | 561.34           |
| <b>Balance as at March 31, 2021</b> | <b>5,251.41</b> | <b>12,381.80</b> | <b>2,696.81</b>        | <b>544.80</b>           | <b>320.13</b>           | <b>21,194.95</b> |
| Additions                           | -               | 151.56           | -                      | -                       | -                       | 151.56           |
| Disposals / Adjustments             | 497.41          | -                | -                      | -                       | -                       | 497.41           |
| <b>Balance as at March 31, 2022</b> | <b>4,754.01</b> | <b>12,533.36</b> | <b>2,696.81</b>        | <b>544.80</b>           | <b>320.13</b>           | <b>20,849.11</b> |

Accumulated Depreciation:

|                                     | Land - Freehold | Buildings       | Plant and<br>Machinery | Electrical<br>Equipment | Furniture &<br>Fixtures | Total           |
|-------------------------------------|-----------------|-----------------|------------------------|-------------------------|-------------------------|-----------------|
| <b>Balance as at March 31, 2020</b> | -               | <b>856.49</b>   | <b>818.87</b>          | <b>281.86</b>           | <b>189.91</b>           | <b>2,147.14</b> |
| Depreciation                        | -               | 211.62          | 211.66                 | 71.47                   | 59.58                   | 554.33          |
| Disposals / Adjustments             | -               | -               | -                      | -                       | -                       | -               |
| <b>Balance as at March 31, 2021</b> | -               | <b>1,068.11</b> | <b>1,030.54</b>        | <b>353.32</b>           | <b>249.49</b>           | <b>2,701.46</b> |
| Depreciation                        | -               | 213.59          | 211.66                 | 71.47                   | 42.23                   | 538.95          |
| Disposals / Adjustments             | -               | -               | -                      | -                       | -                       | -               |
| <b>Balance as at March 31, 2022</b> | -               | <b>1,281.70</b> | <b>1,242.20</b>        | <b>424.79</b>           | <b>291.72</b>           | <b>3,240.41</b> |

Fair value of the investment property

The fair value of the investment properties as at March 31, 2022 and March 31, 2021 have been arrived at on the basis of a valuation carried out as on the respective dates. The fair value was derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.

Details of the investment property and information about the fair value hierarchy as at March 31, 2022 and March 31, 2021, are as follows:

|              | Fair value<br>hierarchy | Fair value as at<br>March 31, 2022 |
|--------------|-------------------------|------------------------------------|
| Land         | Level 3                 | 4,754.01                           |
| Buildings    | Level 3                 | 11,251.66                          |
| <b>Total</b> |                         | <b>16,005.67</b>                   |

|              | Fair value<br>hierarchy | Fair value as at<br>March 31, 2021 |
|--------------|-------------------------|------------------------------------|
| Land         | Level 3                 | 5,251.41                           |
| Buildings    | Level 3                 | 11,313.69                          |
| <b>Total</b> |                         | <b>16,565.10</b>                   |

**MANJEERA CONSTRUCTIONS LIMITED****NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

**Note 3.2****Other Intangible Assets****Carrying Amount:**

|                   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|-------------------|-------------------------|-------------------------|
| Computer Software | 7.29                    | 5.32                    |
| Goodwill          | 2,887.89                | 2,887.89                |
| <b>Total</b>      | <b>2,895.17</b>         | <b>2,893.20</b>         |

**Cost or deemed Cost:**

|                                     | Computer Software | Total        |
|-------------------------------------|-------------------|--------------|
| <b>Balance as at March 31, 2020</b> | <b>56.71</b>      | <b>56.71</b> |
| Additions                           | -                 | -            |
| Disposals/ Adjustments              | -                 | -            |
| <b>Balance as at March 31, 2021</b> | <b>56.71</b>      | <b>56.71</b> |
| Additions                           | 3.78              | 3.78         |
| Disposals/ Adjustments              | -                 | -            |
| <b>Balance as at March 31, 2022</b> | <b>60.49</b>      | <b>60.49</b> |

**Accumulated depreciation**

|                                     | Computer Software | Total        |
|-------------------------------------|-------------------|--------------|
| <b>Balance as at March 31, 2020</b> | <b>47.01</b>      | <b>47.01</b> |
| Depreciation / Amortization         | 4.38              | 4.38         |
| Disposals/ Adjustments              | -                 | -            |
| <b>Balance as at March 31, 2021</b> | <b>51.40</b>      | <b>51.40</b> |
| Depreciation / Amortization         | 1.81              | 1.81         |
| Disposals/ Adjustments              | -                 | -            |
| <b>Balance as at March 31, 2022</b> | <b>53.21</b>      | <b>53.21</b> |

Note: Refer note 17 and 22 for details of assets pledged.

**MANJEERA CONSTRUCTIONS LIMITED**

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

|  | March 31, 2022   |               | March 31, 2021   |               |
|--|------------------|---------------|------------------|---------------|
|  | Number           | Amount        | Number           | Amount        |
| <b>4 Non Current Investments</b>                               |                  |               |                  |               |
| <b>Trade (Unquoted) (At Cost)</b>                              |                  |               |                  |               |
| <b>1 In Subsidiaries</b>                                       |                  |               |                  |               |
| <b>(i) Investment in equity shares</b>                         |                  |               |                  |               |
| <u>In Shares of ` 10 each, fully paid up</u>                   |                  |               |                  |               |
| Manjeera Retail Holdings Private Limited                       | -                | -             | -                | -             |
| MTM Estates and Properties Private Limited                     | -                | -             | -                | -             |
| GM Infra Ventures Private Limited                              | -                | -             | -                | -             |
| Manjeera Developers Private Limited                            | -                | -             | -                | -             |
| <b>Total aggregate investments in Subsidiaries</b>             |                  |               |                  |               |
|  | -                | -             | -                | -             |
| <b>4.1 In Associates</b>                                       |                  |               |                  |               |
| <b>(i) Investment in equity shares</b>                         |                  |               |                  |               |
| Manjeera Hospitality (Amaravati) Pvt. Ltd                      | 26,000           | 2.60          | 26,000           | 2.60          |
| Less: Share of Loss for the period                             |                  | (0.75)        |                  | (0.75)        |
|  |                  | 1.85          |                  | 1.85          |
| <b>Total aggregate investments in Associates</b>               | 26,000           | 1.85          | 26,000           | 1.85          |
| <b>4.2 In Others</b>   |                  |               |                  |               |
| <b>(i) Investment in equity shares</b>                         |                  |               |                  |               |
| <u>In Shares of Rs.10 each, fully paid up</u>                  |                  |               |                  |               |
| Manjeera Hospitality (Rajahmundry) Private Limited             | 28,65,000        | 286.50        | 28,65,000        | 286.50        |
| <b>(ii) Investment in others</b>                               |                  |               |                  |               |
| Vasavi Realtors LLP (Refer 4.3)                                | -                | 622.43        | -                | 510.47        |
|  | <b>28,65,000</b> | <b>908.93</b> | <b>28,65,000</b> | <b>796.97</b> |
|  | <b>28,91,000</b> | <b>910.78</b> | <b>28,91,000</b> | <b>798.82</b> |
| <b>Grand Total</b>   |                  |               |                  |               |
| Aggregate value of quoted investments and marketvalue there of | -                | -             | -                | -             |
| Aggregate value of unquoted investments                        | -                | 910.78        | -                | 798.82        |
| Aggregate amount of impairment value of investments            | -                | -             | -                | -             |

**4.3** 20% of Capital invested by Company in Vasavi Realtors LLP

**MANJEERA CONSTRUCTIONS LIMITED****NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>5 Non Current Bank Balances</b><br>Deposits with maturity of more than 12 months (Refer Note No 5.1)              | 43.54                   | 112.14                  |
|  | <b>43.54</b>            | <b>112.14</b>           |
| <b>6 Other Financial Assets<br/>(Unsecured and Considered Good)</b><br>Deposits under Joint Development Arrangements | 1,738.35                | 1,962.37                |
| Electricity and Other deposits   | 276.77                  | 277.77                  |
| Advance for Land Acquisition   | 60.00                   | 60.00                   |
| <b>Grand Total</b>   | <b>2,075.12</b>         | <b>2,300.13</b>         |

**5.1** Margin Money Deposits represents the deposits lodged with Banks against Guarantees issued by them.

MANJEERA CONSTRUCTIONS LIMITED  
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022  
(All amounts in Rs Lakhs, except share data and where otherwise stated)

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>7 Non-Current Tax Assets (Net)</b>   | 515.62                  | 391.27                  |
| <b>Total</b>  | <b>515.62</b>           | <b>391.27</b>           |
| <b>8 Other Non-Current Assets</b>   |                         |                         |
| Deferred Expenditure  | 375.68                  | 10.00                   |
| Other advances  | 323.18                  | 3.40                    |
| <b>Total</b>  | <b>698.86</b>           | <b>13.40</b>            |
| <b>9 Inventories</b>  | <b>32,398.93</b>        | <b>17,590.34</b>        |
| 9.1 Borrowing Costs capitalised during the period as inventory - Rs. 927.19 Lakhs(March 31, 2021: Rs. 627.27 Lakhs) |                         |                         |
| 9.2 Inventories have been pledged as security for borrowings, refer note 17 for details.                            |                         |                         |
| <b>10 Trade Receivables</b>   |                         |                         |
| Unsecured (Refer note 10.1 to 10.5)   |                         |                         |
| Considered Good   | 4,673.21                | 4,719.06                |
| Considered Doubtful   | 427.27                  | 333.30                  |
|   | <b>5,100.48</b>         | <b>5,052.36</b>         |
| Less : Allowance for doubtful trade receivables   | 427.27                  | 333.30                  |
| <b>Total</b>  | <b>4,673.21</b>         | <b>4,719.06</b>         |

10.1 Trade receivables of one of the subsidiary of Rs. 1,783.00 Lakhs have been pledged as security for borrowings, refer note 17 for details.

10.2 The credit period towards trade receivables generally ranges between 30 to 180 days. No interest is recovered for payments received beyond due date.

10.3 In determining the allowance for trade receivables the company has used practical expedients based on financial condition of the customer, ageing of the customer receivables and overdue, availability of collaterals and historical experience of collections from customers. The concentration of risk with respect to trade receivables is reasonably low as most of the customers settle within the due dates, though there may be normal delays in collections. The Company's past history in dues becoming bad or doubtful was very insignificant

**10.4 Movement in the allowance for doubtful receivables**

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| Balance at beginning of the year                          | 333.30                  | 307.89                  |
| Add: Allowance for doubtful receivables                   | 93.97                   | 25.41                   |
| Less: Amount written off during the year as uncollectible | -                       | -                       |
| Less: Amount received out off provision made earlier      | -                       | -                       |
| Balance at the end of the year                            | <b>427.27</b>           | <b>333.30</b>           |

**10.5 Age of Receivables:**

Outstanding as at 31st Mar'2022

|  | Outstanding for following periods from due date of payment |                   |           |           |                   |          |
|--|--|-------------------|-----------|-----------|-------------------|----------|
|  | Less than 6 months   | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total    |
| (i) Undisputed trade receivables - considered good                                 | 182.28   | 101.51            | 1,061.66  | 1,002.48  | 2,741.25          | 5,089.18 |
| (ii) Undisputed trade receivables - which have significant increase in credit risk | 11.30  | -                 | -         | -         | -                 | 11.30    |
| (iii) Undisputed trade receivables - credit impaired                               | -  | -                 | -         | -         | -                 | -        |
| (iv) Disputed trade receivables - considered good                                  | -  | -                 | -         | -         | -                 | -        |
| (v) Disputed trade receivables - which have significant increase in credit risk    | -  | -                 | -         | -         | -                 | -        |
| (vi) Disputed trade receivables - credit impaired                                  | -  | -                 | -         | -         | -                 | -        |

Outstanding as at 31st Mar'2021

|  | Outstanding for following periods from due date of payment |                   |           |           |                   |          |
|--|--|-------------------|-----------|-----------|-------------------|----------|
|  | Less than 6 months   | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total    |
| (i) Undisputed trade receivables - considered good                                 | 1,089.26   | 1,647.98          | 393.09    | 643.96    | 1,254.34          | 5,028.63 |
| (ii) Undisputed trade receivables - which have significant increase in credit risk | 23.73  | -                 | -         | -         | -                 | 23.73    |
| (iii) Undisputed trade receivables - credit impaired                               | -  | -                 | -         | -         | -                 | -        |
| (iv) Disputed trade receivables - considered good                                  | -  | -                 | -         | -         | -                 | -        |
| (v) Disputed trade receivables - which have significant increase in credit risk    | -  | -                 | -         | -         | -                 | -        |
| (vi) Disputed trade receivables - credit impaired                                  | -  | -                 | -         | -         | -                 | -        |

Note: There is no unbilled revenue during the year



**MANJEERA CONSTRUCTIONS LIMITED****NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>11 Cash and Bank Balances</b>                     |                         |                         |
| <b>11.1 Cash and Cash Equivalents</b>                |                         |                         |
| Cash on hand   | 0.43                    | 24.98                   |
| Balances with Banks                                  | -                       | -                       |
| In Current Accounts                                  | 374.16                  | 389.15                  |
|  | <b>374.59</b>           | <b>414.14</b>           |
| <b>11.2 Other Bank Balances</b>                      |                         |                         |
| In Deposit Accounts- With Scheduled Banks            |                         |                         |
| In Deposit Accounts with maturity more than 3 months | 149.03                  | 154.88                  |
|  |                         |                         |
| <b>Total</b>   | <b>523.62</b>           | <b>569.02</b>           |

**11.2.1** Margin Money Deposits represents the deposits lodged with Banks against Guarantees issued by them.

**MANJEERA CONSTRUCTIONS LIMITED**
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

|  |  | As at<br>March 31, 2022  | As at<br>March 31, 2021 |
|--|--|--|-------------------------|
| <b>12 Loans</b>                        |  |  |                         |
| <b>(Unsecured and Considered good)</b> |  |  |                         |
| Advances to related parties            |  | 2,547.28   | -                       |
| Advances to others                     |  | -  | -                       |
| <b>Total</b>                           |  | <b>2,547.28</b>  | <b>-</b>                |
|  |  |  |                         |
| <b>Type of the borrower</b>            | <b>Amount of loan or advance<br/>in the nature of loan<br/>outstanding</b> | <b>Percentage to the total Loans<br/>and Advances in nature of<br/>loans</b> |                         |
| Promoter                               | -  | 0%   |                         |
| Directors                              | -  | 0%   |                         |
| KMP's                                  | -  | 0%   |                         |
| Related Parties                        | 2,547.28   | 100%   |                         |
| <b>13 Other Financial Assets</b>       |  |  |                         |
| Retention Money Receivable             |  | 371.62   | 284.26                  |
| <b>Total</b>                           |  | <b>371.62</b>  | <b>284.26</b>           |
| <b>14 Other Current Assets</b>         |  |  |                         |
| <b>(Unsecured Considered Good)</b>     |  |  |                         |
| Advances to contracted works           |  | 1,488.55   | 1,289.83                |
| Advances recoverable in cash or kind   |  | 393.91   | 996.69                  |
| Advances for expenses                  |  | 1.52   | 1.52                    |
| GST Credit                             |  | 493.18   | 570.46                  |
| Prepaid Expenses                       |  | 16.95  | 34.14                   |
| Other Receivables (TDS)                |  | 63.93  | 7.03                    |
| <b>Total</b>                           |  | <b>2,458.05</b>  | <b>2,899.67</b>         |

**Outstanding as at 31st Mar'2022**

| Type of the borrower | Amount of loan or advance<br>in the nature of loan<br>outstanding | Percentage to the total Loans<br>and Advances in nature of<br>loans |
|----------------------|---|---|
| Promoter             | -   | 0%  |
| Directors            | -   | 0%  |
| KMP's                | -   | 0%  |
| Related Parties      | 471.49  | 32%   |

**Outstanding as at 31st Mar'2021**

| Type of the borrower | Amount of loan or advance<br>in the nature of loan<br>outstanding | Percentage to the total Loans<br>and Advances in nature of<br>loans |
|----------------------|---|---|
| Promoter             | -   | 0%  |
| Directors            | -   | 0%  |
| KMP's                | -   | 0%  |
| Related Parties      | 158.09  | 12%   |

**MANJEERA CONSTRUCTIONS LIMITED**
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

|   | As at March 31, 2022 |                 | As at March 31, 2021 |                 |
|---|----------------------|-----------------|----------------------|-----------------|
|   | Number of shares     | Amount          | Number of shares     | Amount          |
| <b>15 Share Capital</b>                       |                      |                 |                      |                 |
| <b>Authorised :</b>                           |                      |                 |                      |                 |
| Equity Shares of Rs 10 each                   | 2,50,00,000          | 2,500.00        | 2,50,00,000          | 2,500.00        |
| <b>Issued :</b>                               |                      |                 |                      |                 |
| Equity Shares of Rs 10 each (Refer note 15.3) | 1,25,08,418          | 1,250.84        | 1,25,08,418          | 1,250.84        |
| <b>Subscribed and Paid up :</b>               |                      |                 |                      |                 |
| Equity Shares of Rs 10 each                   | 1,25,08,418          | 1,250.84        | 1,25,08,418          | 1,250.84        |
| <b>Total</b>                                  |                      | <b>1,250.84</b> |                      | <b>1,250.84</b> |

**15.1 Reconciliation of the number of equity shares and amount outstanding at beginning and at quarter end of the year**

|                                  | As at March 31, 2022 |          | PERIOD ENDED March 31, 2021 |          |
|----------------------------------|----------------------|----------|-----------------------------|----------|
|                                  | Number of shares     | Amount   | Number of shares            | Amount   |
| Balance at beginning of the year | 1,25,08,418          | 1,250.84 | 1,25,08,418                 | 1,250.84 |
| Add: Equity shares allotted      | -                    | -        | -                           | -        |
| Balance at end of the year       | 1,25,08,418          | 1,250.84 | 1,25,08,418                 | 1,250.84 |

**15.2 Details of shares held by each shareholder holding more than 5% shares**

|  | As at March 31, 2022 |           | As at March 31, 2021 |           |
|--|----------------------|-----------|----------------------|-----------|
|  | Number of shares     | % holding | Number of shares     | % holding |
| G. Yoganand                                      | 68,50,946            | 54.77     | 68,50,946            | 54.77     |
| G. Padmaja                                       | 8,54,750             | 6.83      | 8,54,750             | 6.83      |
| Gajjala Investments and Holdings Private Limited | 8,24,979             | 6.60      | 8,24,979             | 6.60      |

**15.3 Rights of the share holders**

The Company has only one class of shares- Equity shares having a par value of '10/-'. Each holder of equity shares is entitled to one vote per share. All the equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue.

The Company declares and pays dividends in a Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion of their shareholding.

**15.4 Details of Shareholding of Promoters**

| Shares held by promoters at the end of the year |  |               |                  | % Change during the year |
|---|--|---------------|------------------|--------------------------|
| S. No   | Promoter Name                              | No. of shares | % of total share |                          |
| 1   | G Yoganand                                 | 68,50,946     | 55%              | 0%                       |
| 2   | G Padmaja                                  | 8,54,750      | 6.8%             | 0%                       |
| 3   | G Yoganand HUF                             | 4,86,625      | 3.9%             | 0%                       |
| 4   | Gajjala Investments and Holdilings Pvt Ltd | 8,24,979      | 6.6%             | 0%                       |
| 5   | Manjeera Estates Pvt Ltd                   | 1,54,894      | 1.2%             | 0%                       |
| 6   | Manjeera Hotels and Resorts Private Ltd    | 96,383        | 0.8%             | 0%                       |

**MANJEERA CONSTRUCTIONS LIMITED****NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

|   | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| <b>16 Other Equity</b>  |                      |                      |
| <b>16.1 Securities Premium Account</b>                                  | 1,501.01             | 1,501.01             |
| <b>16.2 General Reserve</b>   | 270.00               | 270.00               |
| <b>16.3 Surplus in Statement of Profit and Loss (Refer Note 16.3.a)</b> |                      |                      |
| Opening balance   | (4,432.21)           | 664.27               |
| <b>Add : Profit for the year</b>  | (4,241.67)           | (5,096.48)           |
| Closing balance   | <b>(8,673.88)</b>    | <b>(4,432.21)</b>    |
| <b>16.4 Other Components of Equity</b>                                  |                      |                      |
| Opening balance   | 140.42               | 119.80               |
| Remeasurements of the defined benefit plans (Refer note 16.4.a)         | 1.91                 | 20.62                |
| <b>Closing balance</b>  | 142.33               | 140.42               |
| <b>Total</b>  | <b>(6,760.55)</b>    | <b>(2,520.78)</b>    |

16.3.a Retained earnings represents the Company's undistributed earnings after taxes.

16.3.b Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the modified retrospective approach, applied to the contracts that were not completed as of April 01, 2018. The modified retrospective approach, requires the cumulative effect of initially applying Ind AS 115 to be adjusted against opening reserves at the beginning of the period in which it is first applied.

16.4.a It represents the actuarial gain/(loss) recognised on the defined benefit plan and will not be reclassified to retained earnings.

**MANJEERA CONSTRUCTIONS LIMITED**
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

|    |   | As at March 31, 2022 |                 | As at March 31, 2021 |             |
|----|---|----------------------|-----------------|----------------------|-------------|
|    |   | Non Current          | Current*        | Non Current          | Current*    |
| 17 | <b>Borrowings - Non Current</b>                                 |                      |                 |                      |             |
|    | <b>Secured - at amortised cost</b>                              |                      |                 |                      |             |
|    | <b>Term loans from Others</b>                                   |                      |                 |                      |             |
|    | LIC Housing Finance Limited (Refer Note 17.1)                   | 2,435.76             | 1,680.00        | 4,596.45             | -           |
|    | NBFCs (Refer Note 17.2)   | 12,490.83            | -               | 19,455.96            | -           |
|    | Other Banks   | 716.85               | 246.89          | 549.20               | -           |
|    | Less: Disclosed under Other Financial Liabilities               | -                    | 6,417.97        | (4,727.81)           | -           |
|    | <b>Vehicle Loans from banks</b>                                 | -                    | -               | -                    | -           |
|    | From Banks (Refer Note 17.3)                                    | 12.90                | 9.31            | 21.71                | 8.83        |
|    |   | -                    | -               | -                    | -           |
|    | <b>Unsecured - at amortised cost</b>                            | -                    | -               | -                    | -           |
|    | Inter Corporate Deposits from related parties (Refer Note 17.4) | 4,926.99             | -               | 8,890.38             | -           |
|    | Inter Corporate Deposits from others                            | 2,195.00             | -               | 3,062.85             | -           |
|    | <b>Total</b>  | <b>22,778.33</b>     | <b>8,354.17</b> | <b>31,848.75</b>     | <b>8.83</b> |

\* Current maturities are included in Note 22 - Other Financial Liabilities

17.1 Term loan amounting to Rs. 4,115.76 Lakhs (March 31, 2021: 4,596.45 Lakhs) is secured by way of Equitable Mortgage on land & Buildings of Total Manjeera Monarch Project and Unit number 304 A in Aditya Trade Centre (F&G Blocks) & Open Exhibition area in ground floor and unit number 4,5,6,7 & 8 belongs to Manjeera Estates Pvt Limited and G Yoganand in Aditya Trade Centre (F&G Blocks).

17.2 Term loan amounting to Rs. 18,908.8 Lakhs (March 31, 2021: 19,455.96 Lakhs) is secured by way of exclusive registered mortgage over all rights title, interest, benefits in saleable area/ unsold units, all movable assets, the cash flows/ receivables, including sale of whole/ part of the projects, any insurance proceeds, lease rents and the escrow accounts maintained of Projects - Manjeera Trinity Corporate (MTC), Manjeera Trinity Mall (MTM) and Manjeera Majestic Commercial (MMC); Corporate guarantee of MCL; personal guarantee of Mr. Yoganand, Managing Director and pledge of 100% share capital of borrower.

17.3 Vehicles loan amounting to Rs. 22.2 Lakhs (March 31, 2021: ₹ 30.54 Lakhs) is secured by hypothecation of vehicles purchased

17.4 Unsecured loans taken from related parties carries interest of 12% per annum compounded on quarterly basis and are repayable on demand.

17.5 Inter corporate deposits from others carries average interest of 12% per annum compounded on quarterly basis and are repayable on demand.

**17.6 Repayment schedule of long term loans**

|              | As At March 31,  |                  |
|--------------|------------------|------------------|
|              | 2022             | 2021             |
| Up to 1 year | 8,354.17         | 8.83             |
| 1 to 5 years | 22,778.33        | 31,848.75        |
|              | <b>31,132.50</b> | <b>31,857.58</b> |

17.7 Period and amount of continuing default as on the Balance Sheet date: interest to be payable to other lenders - one day 690 Lacs

**MANJEERA CONSTRUCTIONS LIMITED**
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>18 Other Financial Liabilities</b>             |                         |                         |
| Security Deposits from Customers                  | 8.43                    | 303.95                  |
| <b>Total</b>                                      | <b>8.43</b>             | <b>303.95</b>           |
| <b>19 Provisions - Non Current</b>                |                         |                         |
| Provision for Employee Benefits (Refer note 19.1) |                         |                         |
| Gratuity  | 49.27                   | 41.17                   |
| Leave Encashment                                  | 12.52                   | 14.04                   |
| <b>Total</b>                                      | <b>61.79</b>            | <b>55.21</b>            |
| <b>20 Deferred Tax Asset/(Liabilities) (Net)</b>  |                         |                         |
| (i) Deferred Tax Liability                        | 135.07                  | 89.15                   |
| <b>Deferred Tax Liabilities (Net) (i) - (ii)</b>  | 135.07                  | 89.15                   |
| <b>21 Other Non Current Liabilities</b>           |                         |                         |
| Deferred Income                                   | 45.21                   | 174.90                  |
| Advances from Customers                           | 886.05                  | 792.00                  |
| Advance Received against Sale of Land             | 26,592.40               | -                       |
|   | <b>27,523.66</b>        | <b>966.91</b>           |

**19.1 A. Defined benefit plan**

The Group provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity at the rate of 15 days basic salary for each year of service until the retirement age. As at March 31, 2022 and March 31, 2021 the plan assets were invested in insurer managed funds.

The following tables set out the funded status of gratuity & Leave Encashment plans and the amount recognized in Group's financial statements :

|  | Rs. In Lakhs         |                      |
|--|----------------------|----------------------|
|  | As at March 31, 2022 | As at March 31, 2021 |
| <b>1 The amounts recognized in the Balance Sheet are as follows:</b>   |                      |                      |
| Present value of the obligation as at the end of the year  | 51.30                | 41.99                |
| Fair value of plan assets as at the end of the year  |                      | -                    |
| Net liability recognized in the Balance Sheet  | <b>51.30</b>         | <b>41.99</b>         |
| <b>2 Changes in the present value of defined benefit obligation</b>  |                      |                      |
| Defined benefit obligation as at beginning of the year   | 41.99                | 51.15                |
| Service cost   | 5.87                 | 7.48                 |
| Interest cost  | 2.85                 | 3.34                 |
| Actuarial losses/(gains) arising from  | -                    | -                    |
| - change in demographic assumptions  | -                    | -                    |
| - change in financial assumptions  | (2.29)               | (0.55)               |
| - experience variance  | 4.28                 | (15.36)              |
| Benefits paid  | (1.40)               | (4.07)               |
| Defined benefit obligation as at the end of the year   | <b>51.30</b>         | <b>41.99</b>         |
| <b>3 Net gratuity cost for the Year ended March 31, 2022 and March 31, 2021 comprises of following components.</b> |                      |                      |
| Service cost   | 5.87                 | 7.48                 |
| Net interest cost on the net defined benefit liability   | 2.85                 | 3.34                 |
|  | <b>8.72</b>          | <b>10.82</b>         |

**MANJEERA CONSTRUCTIONS LIMITED****NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

|   |             |              |
|---|-------------|--------------|
| <b>4 Other Comprehensive income/(loss)</b>                  |             |              |
| Change in financial assumptions                             | (2.29)      | 0.55         |
| Experience variance (i.e. actual experience vs assumptions) | 4.28        | 15.36        |
| Change in demographic assumptions                           |             | -            |
|   | <b>1.99</b> | <b>15.91</b> |

**B. Defined contribution plan**

The Group provides benefits in the nature of defined contribution plans viz, employee state insurance scheme, provident fund and superannuation fund for qualifying employees. Under these Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised ₹ 28.05 Lakhs (March 31, 2021: ₹ 30.87 Lakhs) towards contribution for mentioned funds in the Statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the Schemes.

**C. Sensitivity analysis****Description of Risk Exposures**

Valuations are performed on certain basic set of pre-determined assumptions which may vary over time. Thus, the Group is exposed to various risks in providing the above benefit which are as follows:

**Interest Rate Risk:** The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of liability (as shown in financial statements).

**Liquidity Risk:** This is the risk that the Group is not able to meet the short term benefit payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

**Salary Escalation Risk:** The present value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic Risk:** The Group has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**Regulatory Risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (for example, increase in the maximum liability on gratuity of ₹ 10 Lakhs).

**Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets exposing the company to market risks for volatilities/fall in interest rate.

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

**MANJEERA CONSTRUCTIONS LIMITED****NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

|  | <b>Consolidated</b>   | <b>Consolidated</b>   |
|--|-----------------------|-----------------------|
|  | <b>As at</b>          | <b>As at</b>          |
|  | <b>March 31, 2022</b> | <b>March 31, 2021</b> |
| <b>22 Borrowings- Current</b>                                      |                       |                       |
| <b>Secured</b>   |                       |                       |
| Cash Credit from Bank (Refer Note No 22.1)                         | 684.73                | 681.41                |
| Current maturities of Long Term Borrowings (Refer note 17)         | 8,354.17              | 4,736.65              |
| <b>Unsecured</b>   |                       |                       |
| Inter Corporate Deposits from related parties (Refer Note No 22.2) | -                     | -                     |
| Inter Corporate Deposits from Others (Refer Note No 22.3)          | 303.19                | 294.91                |
| <b>Total</b>   | <b>9,342.09</b>       | <b>5,712.97</b>       |

**22.1** Cash Credit is secured by hypothecation of current assets of construction contract business division (excluding assets of real estate division). Margin 25%. Rate of interest - Bench Mark 1 year MCLR of bank plus spread of 2.5% chargeable on monthly test)

**22.2** Unsecured loans taken from related parties carries interest of 12% per annum compounded on quarterly basis and are repayable on demand.

**22.3** Unsecured inter-corporate deposit amounting to ₹ 303.19 Lakhs ( March 31, 2021: ₹ 294.91 Lakhs) taken from differenet Parties carries an average interest rate of 12% p.a (March 31, 2021: average interest rate of 12%)

**22.4** The Company has been sanctioned working capital limits in excess of 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. The quarterly returns filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company of the respective quarters.



**MANJEERA CONSTRUCTIONS LIMITED**
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**
**MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

|                          | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--------------------------|-------------------------|-------------------------|
| <b>23 Trade Payables</b> |                         |                         |
| Acceptances              | 1.09                    | 4.39                    |
| Other than Acceptances   | 2,938.28                | 3,090.37                |
|                          | <b>2,939.37</b>         | <b>3,094.76</b>         |

**23.1** Trade payable other than acceptances include certain dues to Micro and Small Enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006  
Due to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the Auditors.

**23.2 Age of Payables:**
**Outstanding as at 31st Mar'2022**

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   |          |
|-----------------------------|--|-----------|-----------|-------------------|----------|
|                             | Less than 1 Year   | 1-2 years | 2-3 years | More than 3 years | Total    |
| (i) MSME                    | 0.41   | 0.69      | -         | -                 | 1.09     |
| (ii) Others                 | 1,073.57   | 251.97    | 1,175.14  | 437.60            | 2,938.28 |
| (iii) Disputed dues - MSME  | -  | -         | -         | -                 | -        |
| (iv) Disputed dues - Others | -  | -         | -         | -                 | -        |

**Outstanding as at 31st Mar'2021**

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   |          |
|-----------------------------|--|-----------|-----------|-------------------|----------|
|                             | Less than 1 Year   | 1-2 years | 2-3 years | More than 3 years | Total    |
| (i) MSME                    | 4.39   | -         | -         | -                 | 4.39     |
| (ii) Others                 | 1,420.84   | 1,407.45  | 295.92    | 1,659.36          | 4,783.57 |
| (iii) Disputed dues - MSME  | -  | -         | -         | -                 | -        |
| (iv) Disputed dues - Others | -  | -         | -         | -                 | -        |

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>24 Other Financial Liabilities</b>                 |                         |                         |
| Interest Accrued but not due on borrowings and others | 186.86                  | 890.31                  |
| Interest Accrued and Due                              | 685.00                  | -                       |
| Employee Benefits payable                             | 21.48                   | 23.53                   |
| Security deposits from customers                      | 910.09                  | -                       |
| Revenue share payable including interest              | 6,491.80                | 5,849.94                |
| Other payables  | 123.58                  | 81.06                   |
| <b>Total</b>  | <b>8,418.81</b>         | <b>6,844.84</b>         |
| <b>25 Provisions</b>                                  |                         |                         |
| Provision for Employee Benefits (Refer note 19.1)     |                         |                         |
| Gratuity  | 2.03                    | 0.82                    |
| Compensated absences                                  | 2.78                    | 2.30                    |
| <b>Total</b>  | <b>4.82</b>             | <b>3.12</b>             |
| <b>26 Current Tax Liabilities (Net)</b>               |                         |                         |
| Provision for Tax                                     | 19.43                   | 29.61                   |
| <b>Total</b>  | <b>19.43</b>            | <b>29.61</b>            |
| <b>27 Other Current Liabilities</b>                   |                         |                         |
| Advances from Customers                               | 1,415.74                | 1,666.37                |
| Retention Monies                                      | -                       | 0.77                    |
| Corpus fund collections                               | 578.32                  | 992.20                  |
| Security deposit                                      | 38.01                   | 923.12                  |
| Statutory Dues Payable                                | 286.61                  | 294.70                  |
| Other Liabilities                                     | 220.58                  | 2.01                    |
| <b>Total</b>  | <b>2,539.25</b>         | <b>3,879.18</b>         |

**MANJEERA CONSTRUCTIONS LIMITED**

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

|   | YEAR ENDED<br>March 31, 2022 | YEAR ENDED<br>As at March 31, 2021 |
|---|------------------------------|------------------------------------|
| <b>28 Revenue from Operations</b>             |                              |                                    |
| Revenue from sale of real estate properties   | 3,939.96                     | 1,666.96                           |
| Sub- contracted contract receipts             | 2,880.04                     | 1,348.77                           |
| Wind Mill Energy sales                        | 44.19                        | 37.46                              |
| Profit on Sale of Bion Kothaguda Land         | 219.70                       | 388.66                             |
| <b>Other Operating Revenue</b>                |                              |                                    |
| Rent Receipts                                 | 1,172.23                     | 1,229.99                           |
| Fair Value Adjustments as per IndAS 109       | 129.70                       | 38.03                              |
| Maintenance and other charges                 | 1,418.35                     | 1,644.78                           |
| <b>Total</b>                                  | <b>9,804.16</b>              | <b>6,354.65</b>                    |
| <b>29 Other Income</b>                        |                              |                                    |
| Interest Income                               |                              |                                    |
| on bank deposits                              | 14.74                        | 16.07                              |
| on inter corporate deposits                   | -                            | (0.00)                             |
| on Security deposits (Fair Value Adjustments) | 30.52                        | 40.32                              |
| on IT Refund                                  | -                            | 51.28                              |
| On Others                                     | 10.37                        | 46.84                              |
|   | 55.63                        | 154.50                             |
| Share of profit from LLP                      | 111.96                       | 15.30                              |
| Rental Income                                 | 27.81                        | -                                  |
| Scrap Sales                                   | 4.62                         | 12.12                              |
| Other Income                                  | 81.49                        | 1.99                               |
| Liabilities no longer-required written back   | 278.28                       | -                                  |
| <b>Total</b>                                  | <b>559.79</b>                | <b>183.91</b>                      |
|   |                              |                                    |

**MANJEERA CONSTRUCTIONS LIMITED**

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

|  | <b>Year Ended<br/>March 31, 2022</b> | <b>Year Ended<br/>March 31, 2021</b> |
|--|--------------------------------------|--------------------------------------|
| <b>30 Cost of Goods Sold</b>                   |                                      |                                      |
| Opening Inventory                              | 17,590.34                            | 17,663.07                            |
| <b>Add: Cost incurred during the year</b>      | (151.56)                             | -                                    |
| Direct Expenses -Development Projects          | 2,492.37                             | 1,083.25                             |
| Sub Contracted - EPC Projects                  | 668.07                               | 902.52                               |
| Employee Benefits (Refer Note no 31)           | 61.81                                | 58.44                                |
| Finance Cost (Refer Note no 32)                | 927.19                               | 627.27                               |
| Other Expenses (Refer Note no 33)              | 526.58                               | 185.00                               |
| Khanamet- Land Inventory                       | 16,451.80                            | -                                    |
| Wind-mill energy expenses                      | 16.64                                | 15.58                                |
| <b>Subtotal</b>                                | <b>38,583.24</b>                     | <b>20,535.13</b>                     |
| <b>Less: Trf to Fixed Assets/Inventory</b>     | -                                    | 42.60                                |
| <b>Less: Closing Inventory</b>                 | 32,398.93                            | 17,590.34                            |
| <b>Less: Consumption of Material Inventory</b> | 5.60                                 | 3.89                                 |
| <b>Cost of goods sold</b>                      | <b>6,178.71</b>                      | <b>2,898.30</b>                      |

**MANJEERA CONSTRUCTIONS LIMITED**
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

|   | YEAR ENDED<br>March 31, 2022 | YEAR ENDED<br>March 31, 2021 |
|---|------------------------------|------------------------------|
| <b>31 Employee Benefits Expense</b>   |                              |                              |
| Salaries and wages  | 309.69                       | 329.24                       |
| Employee gratuity   | 5.28                         | 9.78                         |
| Employee Leave Encashment   | 0.45                         | 3.50                         |
| Contribution to provident fund and others (Refer Note no 31.1)  | 28.05                        | 30.87                        |
| Staff welfare expenses  | 8.59                         | 8.37                         |
| Directors remuneration  | 24.00                        | 25.00                        |
| <b>Total</b>  | <b>376.06</b>                | <b>406.77</b>                |
| Less: Transfer to Cost of Sales (Refer Note no 30)  | (61.81)                      | (58.44)                      |
| <b>Total</b>  | <b>314.25</b>                | <b>348.33</b>                |
| <b>31.1 Defined contribution plans</b>  |                              |                              |
| The Company made Provident Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 28.05 Lakhs (March 31, 2021: ₹ 30.87 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. |                              |                              |
|   |                              |                              |
|   | YEAR ENDED<br>March 31, 2022 | YEAR ENDED<br>March 31, 2021 |
| <b>32 Finance Costs</b>   |                              |                              |
| <b>Interest Expense on</b>  |                              |                              |
| On Term Loans   | 4,349.71                     | 5,066.98                     |
| On Cash Credit and Other facilities   | 83.52                        | 75.24                        |
| On Inter Corporate Deposits   | 1,200.54                     | 767.74                       |
| On Vehicle Term Loans   | 2.20                         | 3.23                         |
| On Processing fee   | 4.78                         | 4.97                         |
| On Others   | 5.52                         | 5.52                         |
| GST delayed payment   | 0.63                         | -                            |
| TDS delayed payment   | 29.61                        | 9.71                         |
| APHB related dues   | 127.10                       | 127.10                       |
| Bank charges and commission   | 21.54                        | 16.64                        |
| Other Borrowing Cost  | 0.21                         | 0.15                         |
| Fair Value Adjustments as per IndAS 109   | 357.57                       | 149.09                       |
| <b>Total</b>  | <b>6,182.93</b>              | <b>6,226.38</b>              |
| Less: Transfer to Cost of Sales (Refer Note no 30)  | (927.19)                     | (627.27)                     |
| <b>Total</b>  | <b>5,255.73</b>              | <b>5,599.11</b>              |

**MANJEERA CONSTRUCTIONS LIMITED**
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2022**

|  | YEAR ENDED<br>March 31, 2022 | YEAR ENDED<br>March 31, 2021 |
|--|------------------------------|------------------------------|
| <b>33 Other expenses</b>                           |                              |                              |
| Filing fees  | 4.05                         | 5.39                         |
| Rates and Taxes                                    | 176.35                       | 157.31                       |
| Travelling and Conveyance                          | 14.43                        | 18.98                        |
| Vehicle maintenance                                | 3.27                         | 1.62                         |
| Repairs and Maintenance                            | 390.81                       | 162.58                       |
| Facilities Maintenance                             | 238.21                       | 199.58                       |
| Printing and Stationery                            | 7.88                         | 2.35                         |
| Communications                                     | 2.07                         | 1.77                         |
| Rent Paid  | 559.62                       | 693.82                       |
| Donations  | -                            | 36.02                        |
| CSR expenses                                       | -                            | 9.00                         |
| Power and Fuel                                     | 654.30                       | 736.08                       |
| Office Maintenance                                 | 64.53                        | 21.28                        |
| Professional charges                               | 175.82                       | 120.46                       |
| Subscriptions and fees                             | 0.30                         | 0.88                         |
| Directors' Sitting Fees                            | 3.00                         | 2.30                         |
| Security charges                                   | 58.05                        | 96.37                        |
| Legal and professional fee                         | -                            | 17.32                        |
| Permission fee                                     | 210.37                       | -                            |
| Insurance  | 19.77                        | 46.73                        |
| <b>Auditors' Remuneration</b>                      |                              |                              |
| Statutory audit fee                                | 9.59                         | 9.40                         |
| Tax audit fee                                      | 2.00                         | -                            |
| Selling Expenses - Advertisement                   | 5.65                         | 27.41                        |
| General Expenses                                   | 28.18                        | 22.96                        |
| Provision for expected Credit loss                 | (12.43)                      | 0.45                         |
| Brokerage and commission                           | 118.07                       | 4.85                         |
| Bad Debts  | -                            | 0.84                         |
| Deferred Expenditure Written off                   | 11.00                        | 36.11                        |
| Other Expenses                                     | 6.23                         | 48.16                        |
| <b>Total</b>                                       | <b>2,751.12</b>              | <b>2,480.01</b>              |
| Less: Transfer to Cost of Sales (Refer Note no 30) | (526.58)                     | (185.00)                     |
| <b>Total</b>                                       | <b>2,224.54</b>              | <b>2,295.01</b>              |

**34 Tax Expense**

|   | YEAR ENDED March 31, 2022 | YEAR ENDED<br>March 31, 2020 |
|---|---------------------------|------------------------------|
| Current Tax (including earlier year taxation) | 75.85                     | 38.18                        |
| Deferred Tax                                  | (46.00)                   | (160.26)                     |
| <b>Total</b>                                  | <b>29.85</b>              | <b>(122.08)</b>              |

## MANJEERA CONSTRUCTIONS LIMITED

CIN: L45200TG1987PLC007228

### NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Rs Lakhs, except share data and where otherwise stated)

#### 35 Contingent liabilities

##### a. Claims against the Group not acknowledged as debts:

Claims against the Group not acknowledged as debts aggregating to Rs. Nil (March 31, 2021 Rs. Nil).

##### b. Other Contingent Liabilities

Guarantees issued by bankers on behalf of the company towards performance obligations Rs. 690.47 Lakhs (Previous year Rs. 690.47 Lakhs).

The Holding Company has given Corporate Guarantee of Rs. 32,500 Lakhs (March 31, 2021 Rs. 32,500 lakhs) issued on behalf of subsidiary company Manjeera Retail Holdings Private Limited.

#### 36 With regard to Subsidiary - Manjeera Retail Holdings Private Limited

a As stipulated in the development agreement entered with the Andhra Pradesh Housing Board ("the APHB"), the scheduled completion date of all the projects undertaken by the Company was 30 July 2009. However, on account of delays in receipt of approvals from statutory authorities, the Company made an application for extension of project completion date. The APHB has agreed to extend the time of completion of the projects, subject to a condition that the Company enters into a supplementary development agreement, which includes conditions such as recalculating the fair value of the land, charging some additional levies due to delays in execution of the project etc. However, pursuant to an application made by the Company, the matter has been referred to a Committee formed by APHB for this matter. Pending final outcome of the proceedings with the Committee, no adjustments have been considered necessary in the financial statements.

b The company has received legal notice from one of the tenants, M/s Aditya Associates. The Lessee vacated the demised premises to enable the company to include the same in the larger area to be letout to Lifestyle International Pvt. Ltd. and agreed to be shifted to alternate premises. Lessee was provided with temporary space (UG 10) where it stored its goods and reusable material. Thereafter Lessee was reluctant to agree for terms of the alternate premises. Lessee filed the suit seeking recovery of vacated premises (which no longer exists as same is demolished and became part of larger premises) along with cost of fit-outs/material, or alternatively, to pay damages for alleged loss of furniture and material.

The company has filed a counter suit against M/s Aditya Associates for Recovery of amount comprising of Arrears of Rent etc as per Lease Deed for UG 17 & 18 till end of April. 2017 when they vacated along with Rent for the Unit 10 given as temporary space for 3 months during transition to new unit. As Aditya Associates did not agree for payment of rents after concessional period till March, 2018 Rent is claimed for the same at the prevailing price. After issuance of Legal Notice there was no response from Aditya Associates therefore suit is filed.

The Company has offered a Corporate Guarantee for a sum of Rs. 4 Crores to Lifestyle International Pvt. Ltd. as a security to indemnify the actual direct losses if any to be suffered on account of adverse orders if any passed in the suit filed by M/s Aditya Associates.

c During the year ended March 31, 2022, management has capitalised interest cost aggregating to Rs.Nil (March 31, 2021: Rs. Nil) to the properties under development. Management, on the basis of assessment of the progress of the construction, is of the view that there is no active development of various projects hence no inventorisation of interest is adopted. Products under development as at March 31, 2022 includes interest inventorised amounting to Rs.2,141.55 Lakhs ( March 31, 2021 Rs. 3055.98 Lakhs)

d The Company has incurred losses in the current and previous year and has accumulated losses as at balance sheet date. Further as detailed in note 36(a) the Company is in the process of settlement of certain matters with APHB. Notwithstanding the above, the financial statements have been prepared on going concern basis as the management believes that (i) the Company's occupancy would increase in coming years and new leases would be at better rentals as compared to existing leases and (ii) the unsold inventory would be negotiated at higher rates as compared to historical rates.

37 The Company has onerous contracts with certain owners of units sold in the MTM. Management believes provision of ₹ Nil (31 March 2021: ₹99,58,754) will be sufficient to meet unavoidable onerous lease payments in future.

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Rs Lakhs, except share data and where otherwise stated)

**38 Related Party Disclosures**

**38.1 List of Related Parties**

| Sr.No | Name of the Entity                                 | Relationship                              |
|-------|--|---|
| 1     | Manjeera Retail Holdings Private Limited           | Wholly owned Subsidiary                   |
| 2     | GM Infra Ventures Private Limited                  | Wholly owned Subsidiary                   |
| 3     | Manjeera Developers Private limited                | Subsidiary upto 30.03.2021                |
| 4     | Manjeera Hospitality (Amaravati) Private Limited   | Associate company                         |
| 5     | G.Yoganand – Managing Director                     | Key Managerial Person                     |
| 6     | K. Krishna Murty – Independent Director            | Director                                  |
| 7     | Sudhakar Gande – Director                          | Director                                  |
| 8     | DLS Sreshti – Independent Director                 | Director                                  |
| 9     | G.Veena – Director                                 | Director                                  |
| 10    | Gajjala Vivekanand – Director                      | Director                                  |
| 11    | Krishna Gokeda-CFO (w.e.f: 09.06.2021)             | Key Managerial Person                     |
| 12    | CH N V Rambabu-Company secretary                   | Key Managerial Person                     |
| 13    | Sudarshan V Maddi                                  | Key Managerial Person                     |
| 14    | Manjeera Hospitality (Rajahmundry) Private Limited | Entity under significant influence of KMP |
| 15    | Manjeera Estates Private Limited                   | Entity under significant influence of KMP |
| 16    | Manjeera Hotels & Resorts Private limited          | Entity under significant influence of KMP |
| 17    | Gajjala Investments & Holdings Private Limited     | Entity under significant influence of KMP |
| 18    | Aashraya Hotels And Estates Private Limited        | Entity under significant influence of KMP |
| 19    | Manjeera Hospitality (Vijayawada) Private Limited  | Entity under significant influence of KMP |
| 20    | Treeoils India Limited                             | Entity under significant influence of KMP |
| 21    | Manjeera Projects                                  | Entity under significant influence of KMP |
| 22    | Manjeera Enterprises LLP                           | Entity under significant influence of KMP |
| 23    | Vasavi Realtors LLP                                | Entity under significant influence of KMP |
| 24    | Sree Varamahalakshmi Constructions LLP             | Entity under significant influence of KMP |
| 25    | Vasavi Foundation for Empowerment                  | Entity under significant influence of KMP |
| 26    | Rachana  | Relative of Director                      |
| 27    | Greenwish Electricals India Ltd                    | Entity under significant influence of KMP |

**38.2 Transactions during the year with Related Parties**

| Sr.No | Party name                                       | Nature                       | For FY 21-22 | For FY 20-21 |
|-------|--|------------------------------|--------------|--------------|
| 1     | G Yoganand                                       | Directors Remuneration       | 24.00        | 24.00        |
| 2     | K. Krishna Murty – Independent Director          | Sitting Fee For Meetings     | 1.00         | 0.80         |
| 3     | DLS Sreshti – Independent Director               | Sitting Fee For Meetings     | 1.00         | 0.80         |
| 4     | G Veena  | Sitting Fee For Meetings     | 0.45         | 0.40         |
| 5     | Gajjala Vivekanand                               | Sitting Fee For Meetings     | 0.20         | 0.15         |
| 6     | Sudhakar Gande                                   | Sitting Fee For Meetings     | 0.35         | 0.15         |
| 7     | Manjeera Estates Private Limited                 | Finance Cost                 | 579.06       | 531.40       |
| 8     | Manjeera Estates Pvt Limited                     | (Loan Taken)/Repaid - Net    | 2,126.69     | (724.10)     |
| 9     | Manjeera Hotels & Resorts Private Limited        | Finance Cost                 | 158.78       | 356.29       |
| 10    | Manjeera Hotels & Resorts Private Limited        | (Loan Taken)/Repaid - Net    | 5,137.22     | (1,313.70)   |
| 11    | Aashraya Hotels & EstatesPvt. Ltd                | Finance Cost                 | 128.76       | 105.88       |
| 12    | Aashraya Hotels & EstatesPvt. Ltd                | (Loan Taken)/Repaid - Net    | 48.00        | (48.85)      |
| 13    | Manjeera Developers Private Limited              | Finance Cost                 | 12.93        | 11.85        |
| 14    | Manjeera Developers Private Limited              | (Loan Taken)/Repaid - Net    | (1.00)       | (85.00)      |
| 15    | Manjeera Hospitality Rajahmundry Private Limited | Sub Contract Receipts        | 721.52       | 974.73       |
| 16    | Manjeera Hospitality Rajahmundry Private Limited | Other Advances               | -            | 215.67       |
| 17    | Manjeera Developers Private Limited              | Investments in Shares*       | -            | (0.61)       |
| 18    | MTM Estate and Properties Private Limited        | Investments in Shares**      | -            | (1.00)       |
| 19    | Vasavi Realtors LLP                              | Investment in Capital        | 111.96       | 111.66       |
| 20    | Manjeera Estates Private Limited                 | On Behalf of Payments(Net)   | 66.41        | (15.98)      |
| 21    | Manjeera Estates Private Limited                 | Rent Payable for Premises    | -            | (4.05)       |
| 22    | Manjeera Projects                                | Other advances               | 1.24         | -            |
| 23    | Manjeera Hotels & Resorts Private Limited        | On Behalf of Payments(Net)   | 5.49         | (29.31)      |
| 24    | Manjeera Hospitality Rajahmundry Private Limited | On Behalf of Payments(Net)   | 17.48        | 55.32        |
| 25    | Manjeera Enterprises LLP                         | Rent receivable for Premises | -            | 2.23         |
| 26    | Manjeera Enterprises LLP                         | Rental Receipts              | 0.39         | (2.62)       |
| 27    | Sudarsan V Maddi                                 | Remuneration                 | -            | 1.00         |
| 28    | Vasavi Foundation for Empowerment                | CSR Expenditure              | -            | 9.00         |
| 29    | Sree Varamahalakshmi Constructions LLP           | Advance Given                | 0.59         | 1.02         |
| 30    | Greenwish Electricals India Ltd                  | Interest received            | -            | -            |

\* Investment in Shares-Disposed off during the period

\*\* Investment in Shares-Strike Off of Company from ROC during the period

38.3 Closing balances as at Year end

| Sr.No | Party name   | Nature                              | As on<br>March 31, 2022 | As on<br>March 31, 2021 |
|-------|--|-------------------------------------|-------------------------|-------------------------|
| 1     | Manjeera Estates Private Limited                         | Long Term Borrowings                | 3801.76 - Cr            | 5407.29 - Cr            |
| 2     | Manjeera Hotels & Resorts Private Limited                | Long Term Borrowings                | 2547.28 - Dr            | 2420.39 - Cr            |
| 3     | Aashraya Hotels & Estates Private Limited                | Long Term Borrowings                | 1016.68 - Cr            | 966.79 - Cr             |
| 4     | Manjeera Developers Pvt Ltd                              | Long Term Borrowings                | 108.56 - Cr             | 95.92 - Cr              |
| 5     | G.Yoganand   | Remuneration Payable                | 40.00 - Cr              | 16.00 - Cr              |
| 6     | Equity Shares- Manjeera Hospitality Rajahmundry Pvt Ltd  | Non Current Investments             | 286.50 - Dr             | 286.50 - Dr             |
| 7     | Manjeera Hospitality Rajahmundry Pvt Ltd                 | Other advances                      | 279.85 - Dr             | 45.04 - Dr              |
| 8     | Equity Shares- Manjeera Hospitality (Amaravathi) Pvt Ltd | Non Current Investments             | 2.60 - Dr               | 2.60 - Dr               |
| 9     | Aashraya Hotels & Estates Private Limited                | Other advances                      | 6.33 - Dr               | 6.31 - Dr               |
| 10    | Manjeera Developers Pvt Ltd                              | Other advances                      | 3.46 - Dr               | 1.39 - Dr               |
| 11    | Manjeera Projects  | Other advances                      | 1.55 - Dr               | 1.20 - Dr               |
| 12    | Capital -Vasavi Realtos LLP                              | Non Current Investments             | 626.07 - Dr             | 510.47 - Dr             |
| 13    | Manjeera Hospitality (Amaravathi) Pvt Ltd                | Other advances                      | 3.40 - Dr               | 3.40 - Dr               |
| 14    | Manjeera Hospitality (Vijayawada) Private Limited        | Other Current Assets                | 7.67 - Dr               | 7.67 - Dr               |
| 15    | Gajjala Investments & Holdings Private Limited           | Other advances                      | 0.48 - Dr               | 0.48 - Dr               |
| 16    | Manjeera Estates Private Limited                         | Other payables                      | 0.46 - Cr               | 0.46 - Cr               |
| 17    | Manjeera Hospitality (RJY) Pvt Ltd - SAM                 | Advances recoverble in cash or kind | 37.20 - Dr              | 37.20 - Dr              |
| 18    | Ms. Rachana  | Other Current liabilities           | 24.00 - Cr              | 24.00 - Cr              |
| 19    | Manjeera Hotels & Resorts Private Limited                | Trade Payable                       | 23.83 - Cr              | 29.31 - Cr              |
| 20    | Manjeera Estates Private Limited                         | Trade Payable                       | 48.21 - Cr              | 1.77 - Cr               |
| 21    | Manjeera Estates Private Limited (Rent)                  | Trade Payable                       | 4.05 - Cr               | 4.05 - Cr               |
| 22    | Manjeera Hospitality Rajahmundry Pvt Ltd                 | Trade Receivable                    | 49.57 - Dr              | 32.08 - Dr              |
| 23    | Manjeera Enterprises LLP                                 | Trade Receivable                    | 0.49 - Cr               | 0.39 - Cr               |
| 24    | Sree Varamahalakshmi Constructions LLP                   | Other Current Assets                | 113.64 - Dr             | 113.05 - Dr             |
| 25    | Greenwish Electricals India Ltd                          | Receivable                          | 126.03 - Dr             | 126.03 - Dr             |



**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

**39 Segment Reporting****Business Segments:**

The Company has disclosed Business segment as the primary segment for reporting as defined in Ind AS 108 - Operating Segments, the Managing Director evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz, Real estate, Sub Contracted Contractual business and Leasing segments. Details of Consolidated segment-wise revenue, results, assets and liabilities.

|            | PARTICULARS                                     | As on<br>March 31, 2022 | As on<br>March 31, 2021 |
|------------|---|-------------------------|-------------------------|
| <b>I</b>   | <b>Segment Revenue</b>                          |                         |                         |
|            | Real Estates - A                                | 3,939.96                | 2,055.62                |
|            | Sub-contracted contract receipts - B            | 2,880.04                | 1,348.77                |
|            | Leasing and maintenance of commercial space - C | 2,590.59                | 2,912.80                |
|            | Un allocated                                    | 393.58                  | 37.46                   |
|            | <b>Total Revenue from operations</b>            | <b>9,804.16</b>         | <b>6,354.65</b>         |
| <b>II</b>  | <b>Segment Results</b>                          |                         |                         |
|            | Real Estates - A                                | 1,447.59                | (37.23)                 |
|            | Sub-contracted contract receipts - B            | 2,211.96                | 446.25                  |
|            | Leasing and maintenance of commercial space - C | 115.54                  | 2,571.89                |
|            | Un allocated                                    | (149.64)                | 73.14                   |
|            | <b>Profit before Other adjustments</b>          | <b>3,625.46</b>         | <b>3,054.05</b>         |
|            | Less: Finance Cost                              | 5,255.73                | 5,599.11                |
|            | Less: Other Unallocable expenditure             | 3,141.34                | 2,849.88                |
|            | Add: Finance and other Income                   | 559.79                  | 183.91                  |
|            | <b>Total Profit before Tax</b>                  | <b>(4,211.82)</b>       | <b>(5,211.02)</b>       |
| <b>III</b> | <b>Capital Employed</b>                         |                         |                         |
|            | (Segment Assets - Segment Liabilities)          |                         |                         |
|            | Real Estates - A                                | 315.75                  | (15,963.16)             |
|            | Sub-contracted contract receipts - B            | 627.99                  | 606.12                  |
|            | Leasing and maintenance of commercial space - C | 17,820.79               | 16,824.00               |
|            | Un allocated                                    | (15,850.97)             | (2,692.03)              |
|            | <b>Total Capital employed</b>                   | <b>2,913.56</b>         | <b>(1,225.08)</b>       |

**Geographical Segment:**

The Company has operations in India only. The conditions prevailing in India being uniform, Hence no separate geographical segment disclosure is considered necessary.

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(All amounts in Rs Lakhs, except share data and where otherwise stated)

**40 Financial Instruments**

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2022 were as follows :

| Note                               | FVTPL   | FVTOCI | Amortized cost | Total carrying value | Total fair value |
|------------------------------------|---------|--------|----------------|----------------------|------------------|
| <b>Financial assets:</b>           |         |        |                |                      |                  |
| Investments                        | 4       | -      | -              | 910.78               | 910.78           |
| Trade receivables                  | 10      | -      | -              | 4,673.21             | 4,673.21         |
| Cash and Bank Balances             | 5 & 11  | -      | -              | 567.16               | 567.16           |
| Other financial assets             | 6 & 13  | -      | -              | 2,446.74             | 2,446.74         |
| <b>Total financial assets</b>      |         | -      | -              | <b>8,597.90</b>      | <b>8,597.90</b>  |
| <b>Financial liabilities:</b>      |         |        |                |                      |                  |
| Borrowings                         | 17 & 22 | -      | -              | 32,120.42            | 32,120.42        |
| Trade payables                     | 23      | -      | -              | 2,939.37             | 2,939.37         |
| Other financial liabilities        | 18 & 24 | -      | -              | 8,427.24             | 8,427.24         |
| <b>Total financial liabilities</b> |         | -      | -              | <b>43,487.03</b>     | <b>43,487.03</b> |

The carrying value and fair value of financial instruments by categories as at March 31, 2021 were as follows :

| Note                               | FVTPL   | FVTOCI | Amortized cost | Total carrying value | Total fair value |
|------------------------------------|---------|--------|----------------|----------------------|------------------|
| <b>Financial assets</b>            |         |        |                |                      |                  |
| Investments                        | 4       | -      | -              | 798.82               | 798.82           |
| Trade receivables                  | 10      | -      | -              | 4,719.06             | 4,719.06         |
| Cash and Bank Balances             | 5 & 11  | -      | -              | 681.16               | 681.16           |
| Other financial assets             | 6 & 13  | -      | -              | 2,584.40             | 2,584.40         |
| <b>Total financial assets</b>      |         | -      | -              | <b>8,783.44</b>      | <b>8,783.44</b>  |
| <b>Financial liabilities :</b>     |         |        |                |                      |                  |
| Borrowings                         | 17 & 22 | -      | -              | 37,561.73            | 37,561.73        |
| Trade payables                     | 23      | -      | -              | 3,094.76             | 3,094.76         |
| Other financial liabilities        | 18 & 24 | -      | -              | 7,148.80             | 7,148.80         |
| <b>Total financial liabilities</b> |         | -      | -              | <b>47,805.28</b>     | <b>47,805.28</b> |

**Notes to financial instruments**

The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, trade payables and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments. The management assessed that the fair value of borrowings approximate the carrying amount largely due to such borrowings carry floating interest rates or rates are negotiable.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

## MANJEERA CONSTRUCTIONS LIMITED

CIN: L45200TG1987PLC007228

### NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Rs Lakhs, except share data and where otherwise stated)

#### 41 Financial Risk Management

##### Financial Risk Factors

The Group's activities expose it to market risk, liquidity risk and credit risk. The 's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

| Risk                        | Exposure arising from  | Measurement                 |
|-----------------------------|--|-----------------------------|
| Credit risk                 | Cash and cash equivalent, trade receivables, financial assets measured at amortized cost | Ageing analysis             |
| Liquidity risk              | Borrowings and other financial liabilities   | Rolling cash flow forecasts |
| Market risk - Interest rate | Long-term borrowings at variable rates   | Sensitivity analysis        |

##### a. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortized cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by accepting highly rated banks and diversifying bank deposits.

##### Credit risk management

The finance function of the Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counterparty fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

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

##### Expected credit loss for trade receivables under simplified approach

##### Real estate business

The Company's trade receivables does not have any expected credit loss as registration of properties sold is generally carried out once the Company receives the entire payment. During the periods presented, the Company made no write-offs of trade receivables and no recoveries from receivables previously written off. But a general provision for Expected credit loss @ 0.25% has been provided

##### b. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

##### Maturities of financial liabilities

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

| As at March 31, 2022        | Less than 1 year | 1 years to 5 years | 5 years and above | Total            |
|-----------------------------|------------------|--------------------|-------------------|------------------|
| <b>Non-derivatives</b>      |                  |                    |                   |                  |
| Borrowings                  | 9,342.09         | 22,778.33          | -                 | 32,120.42        |
| Trade payables              | 2,939.37         | -                  | -                 | 2,939.37         |
| Other financial liabilities | 8,418.81         | 8.43               | -                 | 8,427.24         |
| <b>Total</b>                | <b>20,700.27</b> | <b>22,786.76</b>   | <b>-</b>          | <b>43,487.03</b> |

| As at March 31, 2021        | Less than 1 year | 1 years to 5 years | 5 years and above | Total            |
|-----------------------------|------------------|--------------------|-------------------|------------------|
| <b>Non-derivatives</b>      |                  |                    |                   |                  |
| Borrowings                  | 5,712.97         | 31,848.75          | -                 | 37,561.73        |
| Trade payables              | 3,094.76         | -                  | -                 | 3,094.76         |
| Other financial liabilities | 6,844.84         | 303.95             | -                 | 7,148.80         |
| <b>Total</b>                | <b>15,652.57</b> | <b>32,152.71</b>   | <b>-</b>          | <b>47,805.28</b> |

**c. Interest rate risk**

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

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

|                         | March 31, 2022   | March 31, 2021   |
|-------------------------|------------------|------------------|
| Variable rate borrowing | 5,786.44         | 5,857.61         |
| Fixed rate borrowing    | 26,333.98        | 31,704.11        |
| <b>Total borrowings</b> | <b>32,120.42</b> | <b>37,561.72</b> |

**Interest rate risk**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

|   | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Interest rates - increase by 50 basis points (50 bps) | (28.93)        | (61.35)        |
| Interest rates - decrease by 50 basis points (50 bps) | 28.93          | 61.35          |

**MANJEERA CONSTRUCTIONS LIMITED**

CIN: L45200TG1987PLC007228

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Rs Lakhs, except share data and where otherwise stated)

**42 Capital Management**

The Company's objectives when managing capital are to:

Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors its capital using gearing ratio, which is net debt divided by total equity. Net debt includes long term borrowings, short term borrowings, current maturities of long term borrowings less cash and cash equivalents and other bank balances.

|   | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Long term borrowings (including current maturities) | 31,132.50      | 36,585.39      |
| Short term borrowings                               | 987.92         | 976.33         |
| Less: Cash and Bank Balances                        | (567.16)       | (681.16)       |
| Net debt  | 31,553.26      | 36,880.56      |
| Total equity  | (5,509.70)     | (1,269.94)     |
| Gearing ratio                                       | -              | -              |

**43 Earnings per share**

|   | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2021 |
|---|------------------------------|------------------------------|
| Net Profit after tax available for equity shareholders (Rs. in Lakhs) | (4,241.67)                   | (5,096.48)                   |
| Weighted Average number of equity shares for Basic EPS (Nos)          | 1,25,08,418                  | 1,25,08,418                  |
| Weighted Average number of equity shares for Diluted EPS (Nos)        | 1,25,08,418                  | 1,25,08,418                  |
| Face value per share (Rs.)  | 10.00                        | 10.00                        |
| Basic & Diluted EPS * (Rs.)   | (33.91)                      | (40.74)                      |

**44 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements:**

| Name of the entity                               | 31-Mar-22  |            |                                     |            | 31-Mar-21  |            |                                     |            |
|--|--|------------|-------------------------------------|------------|--|------------|-------------------------------------|------------|
|  | Net Assets, i.e., total assets minus total liabilities |            | Share in profit / (loss)            |            | Net Assets, i.e., total assets minus total liabilities |            | Share in profit / (loss)            |            |
|  | As % of consolidated net assets                        | Amount     | As % of consolidated profit or loss | Amount     | As % of consolidated net assets                        | Amount     | As % of consolidated profit or loss | Amount     |
| Parent   | (8.00%)  | 440.53     | (1.55%)                             | 65.65      | -29.52%  | 374.87     | 14.85%                              | (753.54)   |
| <b>Subsidiaries</b>                              |  |            |                                     |            |  |            |                                     |            |
| Indian   |  |            |                                     |            |  |            |                                     |            |
| Manjeera Retail Holdings Private Limited         | 121.35%  | (6,686.07) | 103.51%                             | (4,388.49) | 180.92%  | (2,297.57) | 87.01%                              | (4,416.76) |
| GM InfraVentures Private Limited                 | (13.36%)   | 735.84     | (1.96%)                             | 83.08      | -51.40%  | 652.76     | (1.86%)                             | 94.44      |
| MTM Estates Private Limited                      | -  | -          | -                                   | -          | 0.00%  | -          | 0.00%                               | -          |
| Manjeera Developers Private Limited              | -  | -          | -                                   | -          | 0.00%  | -          | 0.00%                               | -          |
| <b>Associates</b>                                |  |            |                                     |            |  |            |                                     |            |
| Manjeera Hospitality (Amaravati) Private Limited | -  | -          | -                                   | -          | 0.00%  | -          | 0.00%                               | -          |
|  | 100.00%  | (5,509.70) | 100.00%                             | (4,239.76) | 100.00%  | (1,269.94) | 100.00%                             | -5,075.86  |

45 Section 186 of the Companies Act 2013 is not applicable to the Holding Company being the Company is in business of providing infrastructural facilities i.e. real estate development business covered under point 5(a) of the Schedule VI of the Companies Act, 2013.

46 As per Section 135 of the Companies Act 2013, The provisions of CSR is not applicable to the company since it does not meet the Net worth, Turnover, Net profit criteria during last three years

47 There are no proceedings initiated or are pending against the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

48 The Group does not have any transactions with companies struck off Under any section 248 of Companies Act 2013 or Section 560 of Companies Act 1956.

The Group does not have any transactions with companies struck off for current year, however the previous year has the following details

| Name of the struck of the companies       | Nature of the transaction with the struck of the Company | Balance outstanding | Relation with the struck off company, if any to be disclosed |
|---|--|---------------------|--|
| MTM Estate and Properties Private Limited | securities   | 1.00                | Subsidiary   |
|   | Receivables  | -                   | -  |
|   | Payables   | -                   | -  |
|   | Shares held by the struck off company                    | -                   | -  |
|   | balances   | -                   | -  |

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

50 The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

| 51 Relevant line item in the balancesheet | Description item fo the property | Gross carrying value (Rs. in Lakhs) | Title deeds held in the name of the Company | Whether promoter, relative or director or their relative or employee | Period held      | Reason for not held in the name of the Company |
|---|----------------------------------|-------------------------------------|---|--|------------------|--|
| investment Property                       | Land                             | Rs. 4446.25                         |   | No   | Since 04-12-2013 | has registered                                 |

52 The Group have 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:  
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or;  
b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

53

The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:  
a) 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;  
b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

54

The Company does not have any transaction which is not recorded in the books of accounts that 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

55 Previous year's figures have been regrouped/rearranged to conform to those of the current year.

As per our report of even date attached  
M. Bhaskara Rao & Co  
Chartered Accountants

For and on behalf of the Board of Directors of  
MANJEERA CONSTRUCTIONS LIMITED

P Swathi  
Partner  
M.No. 513946  
Hyderabad, May 30, 2022

G Yoganand  
Managing Director  
DIN: 00850735

K Krishna Murthy  
Director  
DIN: 01466390

CH N V Rambabu  
Company Secretary  
M.No - A44763

# Go Green

## Electronic Communication Form (Green Initiative)

The Ministry of Corporate Affairs has come up with a Green Initiative of permitting the service of documents including Annual Reports to the Shareholders through e-mail or other permissible electronic modes instead of physical mode vide its Circular No. 17/2011 dated 21<sup>st</sup> April, 2011.

This is certainly a welcome move for the society at large as this will reduce paper consumption to a great extent and allow all stakeholders to contribute towards a Greener Environment. To support this green initiative, members who have not registered their email addresses so far, are requested to register their email addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate column in the members email registration form and register the same with M/s XL Softech Systems Limited.

### Members Email Registration Form

Name.....

Email.....

Address.....

.....

.....

.....

DP ID:..... Client ID:.....

Folio No.....

(in case of physical holding)

No. of equity shares held.....

Signature

Members are requested to send this email registration form to the Company's Registrar and Transfer Agent at the below mentioned address:

**M/s XL Softech Systems Limited**

**Unit: Manjeera Constructions Limited**

Plot No. 3, Sagar Society, Banjara Hills, Road No. 2, Hyderabad - 500034, Telangana.







**MANJEERA**  
Life Elevated