



**Independent Auditor's Report**

**To the members of Magadh Mega Leather Park Private Limited**

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

**Opinion**

We have audited the financial statements of **Magadh Mega Leather Park Private Limited** ("the Company"), which comprise the balance sheet as at March 31, 2020, the statement of profit and loss (including other comprehensive income), the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss, changes in equity and its cash flows for the year ended on that date.

**Basis for opinion**

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

**Other Information**

The Company's management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and our auditor's report thereon.

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

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

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



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

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act.

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors 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 Board of Directors is also responsible for overseeing the Company's financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

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

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

- a. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, 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.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. 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.

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

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.

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

1. As the Company is a private company and falls within the exemption specified under paragraph 1 clause 2(v) of the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act. Hence, the matters specified in paragraphs 3 and 4 of the said Order are not applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The balance sheet, the statement of profit and loss including other comprehensive income, the statement of changes in equity and the statement of cash flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act
  - f) The Company has been exempted from the requirement of its auditor reporting on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- (B) 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 does not have any pending litigations which would impact its financial position as at March 31, 2020.




- ii. The Company did not have any long-term contracts including derivative contracts outstanding as at March 31, 2020 for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The disclosures regarding holdings as well as dealings in specified bank notes during the period from November 08, 2016 to December 30, 2016 have not been made in the financial statements since they do not pertain to the financial year ended March 31, 2020.

(C) With respect to the other matters to be included in the Auditor's Report under Section 197(16) of the Act:

The Company is private limited Company and accordingly, the requirements as stipulated by the provision of Section 197 of the Act are not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **Marodia Khanna & Associates**  
Chartered Accountants  
Firm's Registration No.: 317147E



**B.P Baranwal**  
Partner

Membership No.: 076604  
UDIN: 20076604AAAAAX6153

**Place: New Delhi**  
**Date: 19.12.2020**



**Magadh Mega Leather Park Private Limited**

CIN:U45200DL2013PTC256596

3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH - 8, Mahipalpur, New Delhi – 110037

Balance Sheet as at March 31, 2020

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

	Note	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Current assets</b>			
<b>Financial assets</b>			
- Cash and Cash Equivalents	3	0.16	0.18
<b>Total current assets</b>		<u>0.16</u>	<u>0.18</u>
<b>Total Assets</b>		<u><u>0.16</u></u>	<u><u>0.18</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	4	1.00	1.00
Other equity	5	(1.31)	(1.05)
<b>Total equity</b>		<u>(0.31)</u>	<u>(0.05)</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Financial liabilities			
Other Financial Liabilities	6	0.46	0.22
<b>Total current liabilities</b>		<u>0.46</u>	<u>0.22</u>
<b>Total liabilities</b>		<u>0.46</u>	<u>0.22</u>
<b>Total equity and liabilities</b>		<u><u>0.16</u></u>	<u><u>0.18</u></u>

Summary of significant accounting policies  
Notes to the financial statements

2

The accompanying notes referred to form an integral part of these financial statements



**As per our report of even date attached**

For **Marodia Khanna & Associates**

Chartered Accountants

ICAI Firm Registration Number: 317147E

For and on behalf of the Board of Directors of  
**Magadh Mega Leather Park Private Limited**


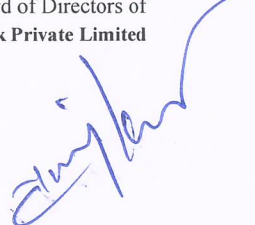
  


**B.P. Baranwal**

(Partner)

M No: 076604

UDIN: 20076604AAAAAX6153

**Rakesh Kumar**

Director

DIN : 00840010

**Manoj Kumar**

Director

DIN : 08415087

Place: New Delhi

Date: 19-12-2020

Place: New Delhi

Date: 19-12-2020

Magadh Mega Leather Park Private Limited

CIN:U45200DL2013PTC256596

3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH - 8, Mahipalpur, New Delhi – 110037

Statement of Profit & Loss for the year ended March 31, 2020

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Income</b>			
Revenue from operations			
Other income			
<b>Total income</b>		-	-
<b>Expenses</b>			
Other expenses	7	0.26	0.19
<b>Total expenses</b>		0.26	0.19
<b>Profit before tax</b>		(0.26)	(0.19)
<b>Tax Expense</b>			
Current tax			
Deferred tax			
<b>Total tax expenses</b>		-	-
<b>Profit/ (Loss) after tax for the year (A)</b>		(0.26)	(0.19)
<b>Other comprehensive income/ (loss)</b>			
Items that will not be reclassified to profit or loss			
-Re-measurement gains/ (losses) on defined benefit liability		-	-
-Income tax effect relating to above		-	-
<b>Other comprehensive income/ (loss) for the year, net of income tax (B)</b>		-	-
<b>Total comprehensive income/ (loss) for the year, net of tax (A+B)</b>		(0.26)	(0.19)
<b>Earning per equity share [face value Rs.10/- per share]</b>			
- Basic (Rs.)		(2.59)	(1.86)
- Dilluted (Rs.)		(2.59)	(1.86)

Summary of significant accounting policies

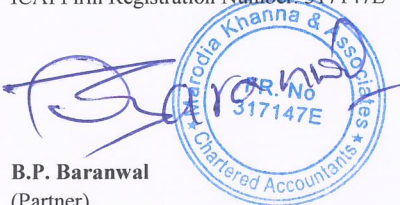
The accompanying notes referred to form an integral part of these financial statements

As per our report of even date attached

For **Marodia Khanna & Associates**

Chartered Accountants

ICAI Firm Registration Number: 317147E



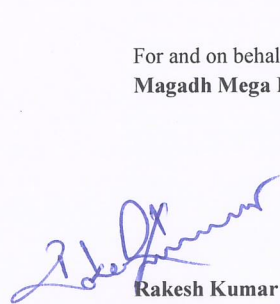
**B.P. Baranwal**

(Partner)

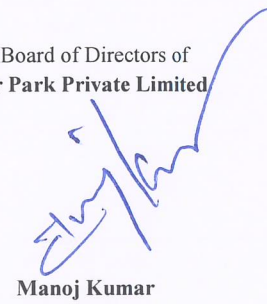
M No: 076604

UDIN: 20076604AAAAAX6153

For and on behalf of the Board of Directors of  
**Magadh Mega Leather Park Private Limited**



**Rakesh Kumar**  
Director  
DIN : 00840010



**Manoj Kumar**  
Director  
DIN : 08415087

Place: New Delhi

Date: 19-12-2020

Place: New Delhi

Date: 19-12-2020



**Magadh Mega Leather Park Private Limited**

CIN:U45200DL2013PTC256596

3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH - 8, Mahipalpur, New Delhi – 110037

Statement of Cash flows statement for the year ended March 31, 2020

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
<b>A. Cash flows from operating activities</b>		
Profit before tax	(0.26)	(0.19)
<b>Adjustment for:</b>		
Depreciation	-	-
Interest income	-	-
<b>Operating profit before working capital changes</b>	<b>(0.26)</b>	<b>(0.19)</b>
<b>Movement in Working Capital</b>		
Decrease/(increase) in other asset		
Increase (Decrease) in other liabilities	0.24	(0.28)
<b>Cash generated from operations</b>	<b>(0.02)</b>	<b>(0.47)</b>
Direct taxes paid (net of refunds)	-	-
<b>Net cash (used in) / generated from operating activities (A)</b>	<b>(0.02)</b>	<b>(0.47)</b>
<b>B. Cash flows from investing activities</b>		
Purchase/ Sale of Investment	-	-
Purchase of Intangible Asstes	-	-
Interest received	-	-
<b>Net cash used in investing activities (B)</b>	<b>-</b>	<b>-</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from short-term borrowings		
<b>Net cash from financing activities (C)</b>	<b>-</b>	<b>-</b>
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(0.02)	(0.47)
Cash and cash equivalents at the beginning of the year (net of bank overdraft)	0.18	0.65
<b>Cash and cash equivalents at the end of the period</b>	<b>0.16</b>	<b>0.18</b>

**Reconciliation of cash and cash equivalents as per the cash flow statement**

Cash and cash equivalents as per above comprise the folowings:

	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash and cash equivalents	0.16	0.18
<b>Balance as per statement of cash flow</b>	<b>0.16</b>	<b>0.18</b>

Note: The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7 on Statement of Cash Flows as notified under Section 133 of the Companies Act, 2013.

As per our report of even date attached

For **Marodia Khanna & Associates**

Chartered Accountants

ICAI Firm Registration Number. 317147E

**B.P. Baranwal**

(Partner)

M No: 076604

UDIN: 20076604AAAAAX6153



For and on behalf of the Board of Directors of  
**Magadh Mega Leather Park Private Limited**

**Rakesh Kumar**

Director

DIN : 00840010

**Manoj Kumar**

Director

DIN : 08415087

Place: New Delhi

Date: 19-12-2020

Place: New Delhi

Date: 19-12-2020

Magadh Mega Leather Park Private Limited

CIN:U45200DL2013PTC256596

3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH - 8, Mahipalpur, New Delhi – 110037

Statement of changes in Equity for the year ended March 31, 2020

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

A. Equity Share Capital	No of shares	Amount
Balance as at March 31,2018	10,000	1.00
Changes in equity share capital during the year	-	-
Balance as at March 31,2019	10,000	1.00
Changes in equity share capital during the year	-	-
Balance as at March 31,2020	10,000	1.00

B. Other Equity

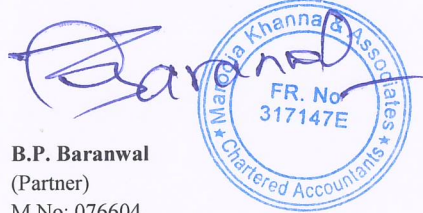
Particular	Reserve & Surplus Retained Earnings	Total
Balance at the end of the reporting period March 31, 2018	(0.86)	(0.86)
Profit/(Loss) during the year	(0.19)	(0.19)
Other comprehensive income/ (loss) for the year, net of income tax	-	-
Total comprehensive income for the year	(1.05)	(1.05)
Transactions with owners in their capacity as owners:		
Changes in accounting policy or prior period errors	-	-
Balance at the end of the reporting period March 31, 2019	(1.05)	(1.05)
Profit/(Loss) during the year	(0.26)	(0.26)
Other comprehensive income/ (loss) for the year, net of income tax	-	-
Total comprehensive income for the year	(1.31)	(1.31)
Changes in accounting policy or prior period errors	-	-
Balance at the end of the reporting period March 31, 2020	(1.31)	(1.31)

As per our report of even date attached

For Marodia Khanna & Associates

Chartered Accountants

ICAI Firm Registration Number. 317147E



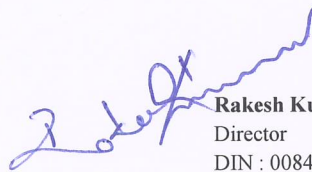
B.P. Baranwal

(Partner)

M No: 076604

UDIN: 20076604AAAAAX6153

For and on behalf of the Board of Directors of  
Magadh Mega Leather Park Private Limited

  
Rakesh Kumar  
Director  
DIN : 00840010

  
Manoj Kumar

Director

DIN : 08415087

Place: New Delhi

Date: 19-12-2020

Place: New Delhi

Date: 19-12-2020



**Magadh Mega Leather Park Private Limited**

**CIN: U45200DL2013PTC256596**

**3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH-8, Mahipalpur, New Delhi-110037**

**Notes to Financial Statements for the year ended 31 March 2020**

---

**1. Company Information**

Magadh Mega Leather Park Private Limited ('the Company') was incorporated as a private limited company under the provision of Companies Act, 1956.

**2. Basis and Accounting Policies**

**2.1. Basis**

**2.1.1. Statement of compliance**

These financial statements 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. The financial statements up to and for the year ended March 31, 2018 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

**2.1.2. Basis of measurement**

These Ind AS financial statements have been prepared on the historical cost basis except for certain financial assets or liability that are measured at fair value (refer to accounting policy on financial instruments). The methods used to measure fair values are discussed further in notes to financial statements.

**2.1.3. Functional and presentation currency**

These Ind AS financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All amounts have been rounded-off to the nearest lakhs and two decimals thereof except share data and per share data, unless otherwise stated.

**2.1.4. Current and non-current classification**

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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



A handwritten signature in blue ink, consisting of a stylized 'M' followed by a flourish.

**Magadh Mega Leather Park Private Limited**

**CIN: U45200DL2013PTC256596**

**3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH-8, Mahipalpur, New Delhi-110037**

**Notes to Financial Statements for the year ended 31 March 2020**

---

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle to be within 12 months for the purpose of current and non-current classification of assets and liabilities.

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

**2.1.5. Use of estimates and judgements**

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

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

**2.1.6 Measurement of fair values**

The Company's accounting policies and disclosures require/ may require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. This includes a team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.



A handwritten signature in blue ink, appearing to be "R. D." followed by a flourish.



**Magadh Mega Leather Park Private Limited**

**CIN: U45200DL2013PTC256596**

**3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH-8, Mahipalpur, New Delhi-110037**

**Notes to Financial Statements for the year ended 31 March 2020**

---

**2.2. Significant accounting policies**

**2.2.1. Property, plant and equipment and depreciation**

**2.2.1.1. Initial recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation/ amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

**2.2.1.2 Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

**2.2.1.3 Derecognition**

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

**2.2.1.4 Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method, and is generally recognized in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

Depreciation on additions to/deductions from property, plant & equipment during the year is charged on pro-rata basis from/up to the date in which the asset is available for use/disposed.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.



20

**Magadh Mega Leather Park Private Limited**

**CIN: U45200DL2013PTC256596**

**3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH-8, Mahipalpur, New Delhi-110037**

**Notes to Financial Statements for the year ended 31 March 2020**

---

**2.2.2. Intangible assets and intangible assets under development and amortization**

**2.2.2.1 Recognition and measurement**

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

**2.2.2.2 Derecognition**

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

**2.2.2.3 Amortization**

Amortization is computed to write off the cost of intangible assets less their estimated residual value over their estimated useful lives using the straight-line method, and is included in amortization in Statement of Profit and Loss.

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

**2.2.3. Cash and cash equivalents**

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

**2.2.4. Financial instruments**

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

**2.2.4.1. Financial assets**

***Initial recognition and measurement***

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

***Subsequent measurement***

**a. Debt instruments at amortized cost**

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



A handwritten signature in blue ink, appearing to be 'S. D.' or similar, with a checkmark to its right.



**Magadh Mega Leather Park Private Limited**

**CIN: U45200DL2013PTC256596**

**3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH-8, Mahipalpur, New Delhi-110037**

**Notes to Financial Statements for the year ended 31 March 2020**

---

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ('EIR') method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

**b. Debt instrument at FVTOCI (Fair Value through OCI)**

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

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

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

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

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

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

**d. Equity Investments**

All equity instruments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.



A handwritten signature in blue ink, appearing to be "R. S. Khanna".

A handwritten signature in blue ink, appearing to be "S. Khanna".

**Magadh Mega Leather Park Private Limited**

**CIN: U45200DL2013PTC256596**

**3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH-8, Mahipalpur, New Delhi-110037**

**Notes to Financial Statements for the year ended 31 March 2020**

---

*e. Derecognition*

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

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

*f. Impairment of financial assets*

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

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Trade receivables under Ind AS 115.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

**2.2.4.2. Financial Liability**

*Initial recognition and measurement*

Financial liabilities are classified and measure, at initial recognition, at fair value (i.e. net of directly attributable transaction costs).

*Subsequent measurement*

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

*a. Financial liabilities at amortized cost*

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit and Loss. This category generally applies to trade payables and other contractual liabilities.

*b. Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near



A handwritten signature in blue ink, appearing to be "R. Khanna".

A small handwritten mark or signature in blue ink.



**Magadh Mega Leather Park Private Limited**

**CIN: U45200DL2013PTC256596**

**3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH-8, Mahipalpur, New Delhi-110037**

**Notes to Financial Statements for the year ended 31 March 2020**

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

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

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

**c. De-recognition**

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

**2.2.5. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**2.2.6. Provisions and contingent liabilities**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.



A handwritten signature in blue ink, appearing to be "R.D.", located below the Marodia Khanna &amp; Associates stamp.

A handwritten signature in blue ink, appearing to be "S.K.", located to the right of the Marodia Khanna &amp; Associates stamp.



**Magadh Mega Leather Park Private Limited**

**CIN: U45200DL2013PTC256596**

**3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH-8, Mahipalpur, New Delhi-110037**

**Notes to Financial Statements for the year ended 31 March 2020**

---

**2.2.7. Revenue**

Since the company is in pre operative stage, and there is no revenue to be recognized, the company has not yet formulated the policy for revenue recognition

**2.2.8. Employee Benefits**

**2.2.8.1. Short term employee benefits**

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages, bonus, etc. are recognized in the Statement of Profit and Loss in the period in which the employee renders the related services. Such obligations are measured on an undiscounted basis.

**2.2.8.2. Post Employment Benefit**

**Defined contribution plan**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefits expense in Statement of Profit and Loss in the period during which services are rendered by employees.

The Company pays fixed contribution to Provident Fund at predetermined rates to regional provident fund commissioner. The contributions to the fund for the year are recognized as expense and are charged to the statement of profit & loss.

**Defined benefit plan**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity is in the nature of defined benefit plans.

The Company's net obligation in respect of defined benefit plan is calculated separately by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs. Any actuarial gains or losses are recognized in OCI in the period in which they arise.

**2.2.8.3. Other long term employee benefits**

Benefits under the Company's compensated absences constitute other long term employee benefit.

Cost of long-term benefit by way of accumulating compensated absences arising during the tenure of the service is calculated taking into account the pattern of avilment of leave. In respect of encashment of leave, the defined benefit is calculated taking into account all types of decrements and qualifying salary projected up to the assumed date of encashment. The present value of obligations under such long-term benefit plan is





**Magadh Mega Leather Park Private Limited**

**CIN: U45200DL2013PTC256596**

**3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH-8, Mahipalpur, New Delhi-110037**

**Notes to Financial Statements for the year ended 31 March 2020**

determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method as at period end.

**2.2.9. Impairment of non-financial assets**

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For assets that are not yet available for use, the recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in Statement of Profit and Loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

**2.2.10. Income Tax**

Income tax expense comprises current and deferred tax. Current tax expense is recognized in the Statement of Profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.



Handwritten signature in blue ink.

**Magadh Mega Leather Park Private Limited**

**CIN: U45200DL2013PTC256596**

**3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH-8, Mahipalpur, New Delhi-110037**

**Notes to Financial Statements for the year ended 31 March 2020**

Minimum Alternative Tax (MAT) under the provisions of Income Tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as deferred tax assets only to the extent it is probable that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. MAT credit recognized as deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

**2.2.11. Earning per share**

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.



A handwritten signature in blue ink.

A handwritten signature in blue ink.



Magadh Mega Leather Park Private Limited

CIN:U45200DL2013PTC256596

3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH - 8, Mahipalpur, New Delhi - 110037

Notes to financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

**3 Cash and cash equivalents**

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Cash in hand	0.16	0.18
	<b>0.16</b>	<b>0.18</b>

The disclosures regarding details of specified bank notes held and transacted during November 08, 2016 to December 30, 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended March 31, 2020.

**4 Equity Share Capital**

Particulars	As at	As at
	March 31, 2020	March 31, 2019
<b>Authorised :</b>		
10,000 (March 31, 2019:10,000 ) equity shares of Rs. 10 each	1.00	1.00
	<b>1.00</b>	<b>1.00</b>
<b>Issued, Subscribed and Paid-up:</b>		
10,000 (March 31, 2019:10,000 ) equity shares of Rs. 10 each	1.00	1.00
	<b>1.00</b>	<b>1.00</b>

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

**Equity shares**

	As at		As at	
	March 31, 2020		March 31, 2019	
	No's	Amount	No's	Amount
At the beginning of the period	10,000	1.00	10,000	1.00
Issued during the period	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>10,000</b>	<b>1.00</b>	<b>10,000</b>	<b>1.00</b>

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

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity is entitled to one vote per share.

**c) Details of shareholders holding more than 5% shares in the company**

Particulars	As at		As at	
	March 31, 2020		March 31, 2019	
	No.	% Holding	No.	% Holding
<b>Equity shares of Rs. 10 each fully paid</b>				
Pristine Logistics & Infraprojects Pvt. Ltd.	3,334	33.34	3,334	33.34
Rajnish Kumar	3,333	33.33	3,333	33.33
Amit Kumar	3,333	33.33	3,333	33.33

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

The Company has neither issued/allotted any shares for consideration other than cash, nor has issued bonus shares during the period of five years immediately preceding the balance sheet date. Further, no shares have been reserved for issue under options and contracts/commitments for sales of

**5 Other Equity**

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Retained Earning	(1.31)	(1.05)
<b>Total</b>	<b>(1.31)</b>	<b>(1.05)</b>

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Opening balance as on reporting date	(1.05)	(0.86)
Add : Profit/ (loss) during the Year	(0.26)	(0.19)
<b>Total</b>	<b>(1.31)</b>	<b>(1.05)</b>



Handwritten signatures and initials in blue ink.

**Magadh Mega Leather Park Private Limited**

CIN:U45200DL2013PTC256596

3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH - 8, Mahipalpur, New Delhi – 110037

Notes to financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

**6 Other Financial Liabilities**

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Audit Fees Payable	0.10	0.10
Professional charges payable	0.36	0.12
	<u>0.46</u>	<u>0.22</u>

6.1 Disclosure relating to Micro, Small and Medium Enterprises Development Act, 2006 is as follows:

Particulars	As at	As at
	March 31, 2020	March 31, 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

**Total****7 Other expenses**

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Audit fees	0.10	0.10
Legal & Professional charges	0.16	0.09
	<u>0.26</u>	<u>0.19</u>

**Details of Audit Fees**

Particulars	As at	For the year ended
	March 31, 2020	March 31, 2019
Statutory Audit Fees	0.10	0.10
Reimbursement of expenses	-	-
<b>Total</b>	<u>0.10</u>	<u>0.10</u>



*[Handwritten signatures]*



8 Related party transactions

a) Names of related parties and related party relationship

Name of related party	Relationship
Pristine Logistics & Infraprojects Pvt. Ltd.	Significant Influence

b) Key Management Personnel

Name of the related party	Designation
Rajnish Kumar	Director (resigned w.e.f. 13-04-2019)
Amit Kumar	Director (resigned w.e.f. 13-04-2019)
Rakesh Kumar	Director
Manoj Kumar	Director

Particulars	Key Management Personnel/relatives		Associates enterprises/ subsidiaries		Enterprises owned or significantly influence by key management personnel	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Pristine Logistics & Infraprojects Pvt. Ltd.						
Expense incurred	-	-	-	-	0.21	0.01
Reimbursement of Expense	-	-	-	-	0.21	0.01
Amount outstanding at the year end	-	-	-	-	-	-



*[Handwritten signature]*

*[Handwritten mark]*

Magadh Mega Leather Park Private Limited

CIN:U45200DL2013PTC256596

3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH - 8, Mahipalpur, New Delhi – 110037

Notes to financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

9 Earnings/ (loss) per share "(EPS)"

a) Basic EPS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit (loss) for the year, attributable to the equity shareholders (used as numerator)	(0.26)	(0.19)
Earnings used in calculation of basic earnings per share(A)	(0.26)	(0.19)
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	10,000	10,000
Basic EPS(A/B) (Rs.)	(2.59)	(1.86)

b) Diluted EPS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit (loss) for the year, attributable to the equity shareholders (used as numerator)	(0.26)	(0.19)
Earnings used in calculation of Diluted earnings per share	(0.26)	(0.19)
Profit attributable to equity holders of the owner adjusted for the effect of dilution (A)	(0.26)	(0.19)
Weighted average number of ordinary shares for the purpose of Diluted earnings per share	10,000	10,000
Weighted average number of Equity shares adjusted for the effect of dilution (B)	10,000	10,000
Diluted EPS (A/B) (Rs.)	(2.59)	(1.86)



*[Handwritten signature]*



## 10 Fair Value Measurement

The following table shows the carrying amounts and fair value of financial assets and liabilities including their levels into fair value hierarchy

(As at March 31, 2020)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Financial Assets</b>					
<b>Current</b>					
- Cash and cash equivalents*	0.16	-	-	0.16	0.16
<b>Financial Liabilities</b>					
<b>Current</b>					
- Other financial Liabilities*	0.46	-	-	0.46	0.46

(As at March 31, 2019)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Financial Assets</b>					
<b>Current</b>					
- Cash and cash equivalents*	0.18	-	-	0.18	0.18
<b>Financial Liabilities</b>					
<b>Current</b>					
- Other financial Liabilities*	0.22	-	-	0.22	0.22

## 10.1 Fair Value Hierarchy

- Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- Level 2 - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following table present fair value hierarchy of assets and liabilities measured at fair value

(As at March 31, 2020)

Particulars	Level 1	Level 2	Level 3	Valuation Technique and key input	Significant unobservable inputs
<b>Financial Assets/ Liability at fair values:</b>	Nil	Nil	Nil	-	-

(As at March 31, 2019)

Particulars	Level 1	Level 2	Level 3	Valuation Technique and key input	Significant unobservable inputs
<b>Financial Assets/ Liability at fair values:</b>	Nil	Nil	Nil	-	-

\* The carrying amounts of cash and cash equivalents and other current financial liabilities, approximates the fair values, due to their short-term nature.

## 10.2 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

## Risk Management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors of the Company identifies and analyse the risks, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

## a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from trade receivables, loans and advances, cash and cash equivalents and deposits with banks and other financial assets. The carrying amount of the financial assets represents maximum credit exposure.



*(Handwritten signature)*

Magadh Mega Leather Park Private Limited

CIN:U45200DL2013PTC256596

3rd Floor, Wing-B, Commercial Plaza, Radisson Hotel, NH - 8, Mahipalpur, New Delhi - 110037

Notes to financial statements for the year ended March 31, 2020

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

**Expected credit loss on financial assets other than trade receivables :**

Credit risks on cash and cash equivalents and bank deposits, if any, is limited as the Company generally invest in deposits with banks with High credit ratings assigned by domestic credit agencies. Accordingly, no provision for expected credit loss has been provided on these financial assets.

**b) Market Risk**

Market risk is the risk that future cash flows of a financial instruments will fluctuate because of change in market price. Market comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

**i) Currency risk:**

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency. Accordingly, the Company does not have any exposure to foreign currency risk at the end of the reporting period.

**ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any borrowings. Accordingly, the Company is not exposed to interest rate risk.

**c) Liquidity Risk**

The Company's principal sources of liquidity are cash and cash equivalents. The Company manages its liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

The Company maintain a sufficient balance in cash and cash equivalents to meet its short term liquidity requirements. The Company assesses its long term liquidity requirements on a periodical basis and manage them through internal accruals.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table have been drawn up based on the undisclosed cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

(As at March 31, 2020)

Particulars	Upto 1 Year	1-3 years	3-5 years	More than 5 years	Total
<b>Financial Liabilities</b>	-	-	-	-	-
Borrowings	-	-	-	-	-
Other financial Liabilities	0.46	-	-	-	<b>0.46</b>

(As at March 31, 2019)

Particulars	Upto 1 Year	1-3 years	3-5 years	More than 5 years	Total
<b>Financial Liabilities</b>	-	-	-	-	-
Borrowings	-	-	-	-	-
Other financial Liabilities	0.22	-	-	-	<b>0.22</b>

For Marodia Khanna & Associates

Chartered Accountants

ICAI Firm Registration Number: 317147E

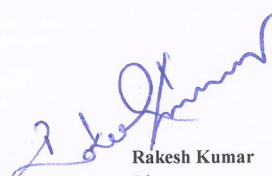


**B.P. Baranwal**  
(Partner)

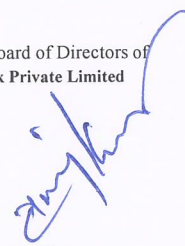
M No: 076604

UDIN: 20076604AAAAAX6153

For and on behalf of the Board of Directors of  
Magadh Mega Leather Park Private Limited



**Rakesh Kumar**  
Director  
DIN : 00840010



**Manoj Kumar**  
Director  
DIN : 08415087

Place: New Delhi

Date: 19-12-2020

Place: New Delhi

Date: 19-12-2020