SAGAR MUKESH SHETH

BALANCE SHEET AS ON 31st MARCH, 2020

(Amt. ₹)

PARTICULARS	SCHEDULE NO.	AS ON 31-03-2020	AS ON 31-03-2019
CAPITAL & LIABILITIES			
Shri Sagar M. Sheth's Capital	1	**2,41,84,57,208**	57,60,75,689
Unsecured Loans	2	**61,30,000**	54,16,80,000
Sundry Creditors	3	**-**	3,03,367
Current Liabilities and Provisions	4	**200**	-
Total		**2,42,45,87,408**	1,11,80,59,056
PROPERTIES & ASSETS			
Property, Plant & Equipment (Fixed Assets)	5	**92,83,19,223**	38,07,10,182
Deferred Tax Asset	6	**39,364**	-
Investments	7	**65,45,597**	65,45,576
Current Assets, Loans and Advances	8	**1,48,96,83,224**	73,08,03,298
Total		**2,42,45,87,408**	1,11,80,59,056
NOTES ON ACCOUNTS	12		

As per our report of even date,

For M. J. Rindani & Associates
Chartered Accountants
ICAI Firm Regn. No. 108838W

M. J. RINDANI & ASSOC.

Deepak M. Rindani
Partner
Membership No. 33798

Sagar M. Sheth
(Proprietor)

Place : Rajkot 30 DEC 2020
Date :

SAGAR MUKESH SHETH

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2020

(Amt. ₹)

PARTICULARS	SCHEDULE NO.	THIS YEAR	LAST YEAR
INCOME			
Sales/ Gross reciepts			
Sale of Non-agricultural Land	9	2,59,31,000	37,50,000
Other Income	10	510	12,00,000
Closing Stock-in-trade			
Non-Agricultural Lands		3,55,26,540	-
Total		6,14,58,050	49,50,000
EXPENDITURE			
Conversion of Capital Asset into Stock-in-trade (Rajkot Morbi Road FP. No. 49/1 Land)		5,77,48,140	14,30,000
Administrative and other expenses	11	11,03,842	5,67,059
Depreciation	5	23,86,018	26,94,943
Total		6,12,38,000	46,92,002
Profit Before Tax		2,20,050	2,57,998
Less/Add:			
- Provision for Deferred Tax (Liability)/Asset		39,364	-
Net Profit transferred to Proprietor's Capital A/c		2,59,414	2,57,998
NOTES ON ACCOUNTS	12		

As per our report of even date.

For M. J. Rindani & Associates
Chartered Accountants
C.A. Firm Regn. No. [illegible]

Deepak M. Rindani
Partner
Membership No. 39758

Place : Rajkot
Date : 30 DEC 2020

Sagar M. Sheth
(Proprietor)

SAGAR MUKESH SHETH

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 ST MARCH , 2020

(Amt. ₹)

PARTICULARS		Year Ended on 31/03/2020	Year Ended on 31/03/2019
(A) CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit Before Extraordinary Item and Before Taxation:		2,20,050	2,57,998
Adjustments for:			
Depreciation & Amortization		23,86,018	26,94,943
Conversion of Capital Asset into Stock in Trade		5,77,48,140	14,30,000
Operating profit before Working Capital changes		6,03,54,208	43,82,941
Adjustments for changes in Working Capital:			
Withdrawal of Capital		(44,08,530)	(70,55,146)
Introduction of Capital		1,89,046	-
Miscellaneous credits during the year		1,35,92,18,253	-
Other Income directly credited to Capital Account		40,66,780	77,45,524
(Increase) / Decrease in Current Assets		(70,04,31,359)	20,73,94,804
Increase / (Decrease) in Current Liabilities		(3,03,167)	(1,26,997)
Cash generated from Operations		71,86,85,230	21,23,41,126
Taxes paid		-	-
Cash flow before extraordinary items		71,86,85,230	21,23,41,126
Extraordinary items		-	-
Net Cash from / (Used in) Operating activities	(A)	71,86,85,230	21,23,41,126
(B) CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant & Equipment		(12,49,10,565)	(14,35,75,642)
Sale of Property, Plant & Equipment		2,23,902	1,76,73,678
Increase in Investment		-	1,75,000
Net Cash from / (Used in) Investing activities	(B)	(12,46,86,663)	(12,57,26,964)
(C) CASH FLOW FROM FINANCING ACTIVITIES			
Decrease in Long term Borrowings		(53,55,50,000)	(7,41,00,000)
Net Cash from / (Used in) Financing activities	(C)	(53,55,50,000)	(7,41,00,000)
Net Increase in Cash & Cash Equivalents (A + B + C)		5,84,48,567	1,25,14,163
Cash & Cash Equivalents at the beginning of the year		1,27,24,775	2,10,612
Cash & Cash Equivalents at the end of the year		7,11,73,342	1,27,24,775

As per our report on even date,

For M. J. RINDANI & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No. 108838W

M. J. RINDANI & ASSOC.

DEEPAK M. RINDANI

(Partner)

Membership No. 33798

Place : Rajkot

Date : 30 DEC 2020

Sagar M. Sheth

(Proprietor)

SAGAR MUKESH SHETH

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 ST MARCH , 2020

(Amt. ₹)

PARTICULARS	Year Ended on 31/03/2020	Year Ended on 31/03/2019
Cash & Cash Equivalents at the beginning of the year		
Cash on Hand	1,96,743	1,47,659
Balances with Scheduled Banks in Current & Deposit Account	1,25,28,032	62,953
	1,27,24,775	2,10,612
Cash & Cash Equivalents at the end of the year		
Cash on Hand	2,55,394	1,96,743
Balances with Scheduled Banks in Current & Deposit Account	7,09,17,948	1,25,28,032
	7,11,73,342	1,27,24,775
Net Increase as disclosed above	5,84,48,567	1,25,14,163

Note: The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard- 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

M. J. RINDANI & ASSOC.

SAGAR MUKESH SHETH

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31st MARCH, 2020

(Amt. ₹)

PARTICULARS		THIS YEAR	LAST YEAR
SCHEDULE -1 : SHRI SAGAR M. SHETH'S CAPITAL			
Opening Balance as per Last Balance Sheet		57,60,75,689	57,51,27,436
Add: Introduced during the year		1,89,046	-
Dividend Income		16,25,577	27,166
Interest on Saving Bank Accounts		12,76,461	15,19,188
Interest Income on Loans and Advances		7,61,781	45,86,111
Inheritance from Shardaben J Doshi (Grand Mother)		58,76,90,757	-
Gift from Shardaben J Doshi (Grand Mother)		89,88,50,000	-
Gift from Narendra Sheth (Uncle)		31,75,00,000	-
Short Term Capital Gain on Mutual Funds		2,14,578	-
Short Term Capital Gain on Land		-	14,16,455
Trade (See Note 12.5)		3,82,34,032	-
Share of Profit from M/s Sheth Builders as Partner		20	-
Agricultural Income	2,94,290		
Less : Expenses	(1,05,907)	1,88,383	1,96,604
Profit/(Loss) for the year transferred from P & L Account		2,59,414	2,57,998
		2,42,28,65,738	58,31,30,958
Less: Withdrawal /Debits during the year		7,85,491	8,18,956
Life Insurance Premium		1,41,187	1,41,187
Short Term Capital Loss on Mutual Fund		1,62,514	-
Short Term Capital Loss on Arbitrage Fund		78,160	-
Write offs		-	30,000
Loss on Sale of Motor Car (Honda Accord)		-	6,09,158
Share of Loss from M/s Sheth Builders as Partner		-	124
Gift to Children		4,50,000	7,49,000
Tax Deducted at Source		76,178	25,06,844
Advance Income Tax		27,15,000	22,00,000
	Total	**2,41,84,57,208**	57,60,75,689
SCHEDULE - 2 : LOAN FUNDS			
Unsecured Loans			
From Related Parties			
Narendra M.Sheth		-	7,00,00,000
Sagar Mukesh Sheth H.U.F.		-	54,00,000
Ami Sagar Sheth		61,30,000	61,30,000
Mukesh M. Sheth - HUF		-	1,50,00,000
Smita Mukesh Sheth		-	13,00,000
Sharadaben J. Doshi		-	44,38,50,000
	Total	**61,30,000**	54,16,80,000

SAGAR MUKESH SHETH

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31st MARCH, 2020

(Amt. ₹)

PARTICULARS		THIS YEAR	LAST YEAR
SCHEDULE - 3 : SUNDRY CREDITORS			
Hardware Khazana		-	52,085
Sarda Plywood Industries Limited		-	77,380
Sheetal's Lighting Comforts		-	1,73,902
		-	3,03,367
SCHEDULE - 4 : CURRENT LIABILITIES AND PROVISIONS			
Professional Tax Employee	-	200	-
	Total	200	-
SCHEDULE - 6 : DEFERRED TAX ASSET			
Opening Balance	-		-
Add : Deferred Tax Asset for the year	39,364	39,364	
	Total	39,364	-
SCHEDULE - 7 : INVESTMENTS			
Long-term Investments :			
Other Securities			
(A) Quoted Securities		4,47,283	4,47,283
(B) Unquoted Securities		60,98,313	60,98,293
	Total	65,45,597	65,45,576

M. J. RINDANI & ASSOC.

SAGAR MUKESH SHETH

SCHEDULE - 5 : PROPERTY, PLANT & EQUIPMENT FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2020

(Amt. ₹)

Particulars	Opening balance as on 01-04-2019	Additions		Deductions/ Transfer	Total	Depreciation provided this year	Closing balance as on 31-03-2020
		More than 180 days	Less than 180 days				
(A) **Business Assets**							
Building							
Imperial Heights Shop No. GF-10	1,71,56,988	-	-	-	1,71,56,988	17,15,699	1,54,41,289
	1,71,56,988	-	-	-	1,71,56,988	17,15,699	1,54,41,289
Vehicles							
Mercedes-Benz/E250 Car	38,98,856	-	-	-	38,98,856	5,84,828	33,14,028
Hyundai I-20 Active Car	4,93,170	-	-	-	4,93,170	73,976	4,19,195
	43,92,026	-	-	-	43,92,026	6,58,804	37,33,222
Equipment							
Currency Sorting Machine	76,765	-	-	-	76,765	11,515	65,250
	76,765	-	-	-	76,765	11,515	65,250
Total (A)	2,16,25,779	-	-	-	2,16,25,779	23,86,018	1,92,39,762

M. J. RINDANI & ASSOC.

SAGAR MUKESH SHETH

SCHEDULE - 5 : PROPERTY, PLANT & EQUIPMENT FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2020

(Amt. ₹)

Particulars	Opening balance as on 01-04-2019	Additions		Deductions/ Transfer	Total	Depreciation provided this year	Closing balance as on 31-03-2020
		More than 180 days	Less than 180 days				
(B) Personal Assets and Investment Properties: (See Note 1 below)							
(I) Movable Properties							
Jewellery & Ornaments	8,35,213	-	-	-	8,35,213	-	8,35,213
Gun	28,750	-	-	-	28,750	-	28,750
Silver Heights Flat Furniture	-	1,47,77,921	-	-	1,47,77,921	-	1,47,77,921
Silver Heights Flat No. B-601 Furniture	1,47,77,921	-	-	1,47,77,921	-	-	-
(II) Immovable Properties							
(a) Residential							
Residential apartment in Madhuvrund Flat - Ahmedabad	4,76,680	-	-	-	4,76,680	-	4,76,680
Satyagrah Chhavni Bunglow	4,71,79,252	47,66,100	-	2,23,902	5,17,21,450	-	5,17,21,450
(b) Agricultural Lands							
Abhrampara S.N. 108 Palki 2	-	-	3,22,420	-	3,22,420	-	3,22,420
Abhrampara S.N. 108 Palki 3	6,62,080	-	-	-	6,62,080	-	6,62,080
Haripar Pal S. No. 56 P 8	-	-	1,15,39,170	-	1,15,39,170	-	1,15,39,170
Khoraj S.N. 108	44,30,600	-	-	-	44,30,600	-	44,30,600
Khoraj S.N. 92/3 - B	84,04,200	-	-	-	84,04,200	-	84,04,200
(C) Non-Agricultural Lands							
Janta Nagar P.N.133,137,139 to 144	40,677	-	-	-	40,677	-	40,677
Janta Nagar P.N.28	4,900	-	-	-	4,900	-	4,900
Khoraj NA Land	56,54,367	-	-	-	56,54,367	-	56,54,367
Land Dreamland Park P.N.32	8,070	-	-	-	8,070	-	8,070
Madhapar Land R.S. No.9 Plot No. 17/24/26/33	-	-	50,00,000	-	50,00,000	-	50,00,000
Khodiyar Bl.180	-	-	49,74,993	-	49,74,993	-	49,74,993
Khodiyar Block No. 367	4,75,000	5,08,32,900	7,50,000	-	5,20,57,900	-	5,20,57,900
Khodiyar Block No. 10 B	45,06,324	-	-	-	45,06,324	-	45,06,324
Khodiyar Block No. 314	-	-	40,12,063	-	40,12,063	-	40,12,063

SAGAR MUKESH SHETH

SCHEDULE - 5 : PROPERTY, PLANT & EQUIPMENT FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2020

(Amt. ₹)

Particulars	Opening balance as on 01-04-2019	Additions		Deductions/ Transfer	Total	Depreciation provided this year	Closing balance as on 31-03-2020
		More than 180 days	Less than 180 days				
(C) Non-Agricultural Lands(Cont.)							
Khodiyar Block No. 90/3	38,02,942	1,16,336	-	-	39,19,278	-	39,19,278
Khodiyar Block No. 90/4	38,36,825	1,16,455	-	-	39,53,280	-	39,53,280
Khodiyar Block No. 90/5	38,02,957	1,16,455	-	-	39,19,412	-	39,19,412
Khodiyar Block No. 90/6	38,38,192	1,15,152	-	-	39,53,344	-	39,53,344
Khodiyar Block No. 94/1	54,83,162	-	-	-	54,83,162	-	54,83,162
Khodiyar Block No. 98/1	31,01,418	-	-	-	31,01,418	-	31,01,418
Khodiyar Block No. 99/1	46,51,651	-	-	-	46,51,651	-	46,51,651
Khodiyar S.N. 243	-	-	2,01,26,165	-	2,01,26,165	-	2,01,26,165
Khodiyar S.N. 262	-	-	63,19,511	-	63,19,511	-	63,19,511
Khodiyar S.N. 315	46,73,292	-	-	-	46,73,292	-	46,73,292
Lilalpur Block No. 51 (Old-26) K.No. 228	1,35,68,969	-	7,575	-	1,35,76,544	-	1,35,76,544
Lilapur Block No 104/002 (Old-69) K.No. 642	-	1,36,42,770	9,14,055	-	1,45,56,825	-	1,45,56,825
Lilapur Block No. 106 (Old-70) K.No. 228	1,25,77,373	-	2,443	-	1,25,79,816	-	1,25,79,816
Lilapur Block No. 107 (Old-71) K.No. 544	74,58,908	-	2,467	-	74,61,375	-	74,61,375
Lilapur Block No. 151 (Old-184)	-	-	62,31,643	-	62,31,643	-	62,31,643
Lilapur Block No 28 Paiki FP No 84 Paiki	1,45,36,220	-	-	-	1,45,36,220	-	1,45,36,220
Lilapur Block No. 41 (Old-54) K.No. 228	3,26,47,619	-	15,630	-	3,26,63,249	-	3,26,63,249
Lilapur Block No. 55 (Old-55)	-	-	84,01,273	-	84,01,273	-	84,01,273
Lilapur Block No. 57 (Old-20B) K.No. 550	57,79,090	-	1,710	-	57,80,800	-	57,80,800
Lilapur Block No. 58 (Old-21)	-	-	86,07,107	-	86,07,107	-	86,07,107
Lilapur Block No. 61	91,74,269	-	-	-	91,74,269	-	91,74,269
Lilapur Block No. 71 (Old-19A)	-	-	1,39,41,127	-	1,39,41,127	-	1,39,41,127
Lilapur Blok No. 59 (Old-22)	-	-	1,44,82,387	-	1,44,82,387	-	1,44,82,387
Lilapur Survey No. 110 (Old S. No. 74)	-	-	74,20,209	-	74,20,209	-	74,20,209
Khodiyar Block No. 313	-	-	4,34,94,042	-	4,34,94,042	-	4,34,94,042

RINDANI & ASS

SAGAR MUKESH SHETH

SCHEDULE - 5 : PROPERTY, PLANT & EQUIPMENT FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2020

(Amt. ₹)

Particulars	Opening balance as on 01-04-2019	Additions		Deductions/ Transfer	Total	Depreciation provided this year	Closing balance as on 31-03-2020
		More than 180 days	Less than 180 days				
(C) Non-Agricultural Lands(Cont.)							
Oganaj - Serve No. 274	48,10,244	-	-	-	48,10,244	-	48,10,244
Aanandpar Navagam(Plots)	-	-	30,90,82,055	-	30,90,82,055	-	30,90,82,055
Raiya S.No. 269 Paiki 4	3,52,48,281	-	-	-	3,52,48,281	-	3,52,48,281
Raiya S.No. 269 Paiki 5	3,46,25,316	-	-	-	3,46,25,316	-	3,46,25,316
Raiya S.No. 269 Paiki 6	3,46,25,316	-	-	-	3,46,25,316	-	3,46,25,316
Rajkot S. No. 143 Paiki 2, 3 & 5	2,91,15,656	21,69,639	-	3,12,85,295	-	-	-
Vejagam Sr. No. 107 and 108	13,42,668	-	-	-	13,42,668	-	13,42,668
Virpar (Tankara) S.N. 396 P 2	-	-	2,47,09,217	-	2,47,09,217	-	2,47,09,217
Raiya Land R.S.No. 123/1-2 & 124/1-2 Plot No.69	-	-	50,00,000	-	50,00,000	-	50,00,000
Raiya Land R.S.No. 83/1 Plot No.56 FP No. 1110	29,00,000	-	25,00,000	-	54,00,000	-	54,00,000
Rajkot Morbi Road - FP No. 49/1 (See Note 2)	-	1,95,14,108	-	1,95,14,108	-	-	-
Rajkot Morbi Road - FP No. 49/2	-	1,17,71,187	-	-	1,17,71,187	-	1,17,71,187
Total (B)	35,90,84,402	11,79,39,023	49,78,57,262	6,58,01,226	90,90,79,461	-	90,90,79,461
TOTAL (A + B)	38,07,10,182	11,79,39,023	49,78,57,262	6,58,01,226	93,07,05,240	23,86,018	92,83,19,223

Notes(1) : On personal assets and properties, depreciation is not provided for.

Notes(2) : FP No. 49/1 Land was treated as stock-in-trade of real estate business during the year, hence it is deducted here and shown as part of inventories. Also refer to Note No. 12(5) in this regard.

M. J. RINDANI & ASSOC.

SAGAR MUKESH SHETH

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31st MARCH, 2020

(Amt. ₹)

PARTICULARS	THIS YEAR	LAST YEAR
SCHEDULE - 8 : CURRENT ASSETS, LOANS AND ADVANCES		
(a) Current Assets:		
(i) Inventories		
Stock-in-trade:		
Non-Agricultural Lands	3,55,26,540	-
Total (i)	**3,55,26,540**	-
(ii) Cash and Bank Balance		
Cash-in-hand	2,55,394	1,96,743
Balance with banks	7,09,17,948	1,25,28,032
Total (ii)	**7,11,73,342**	1,27,24,775
(iii) Other Current Assets		
TDS Receivable	3,00,000	10,00,000
Prepaid Expenses	98,091	-
Total (iii)	**3,98,091**	10,00,000
Total (a = i + ii + iii)	**10,70,97,973**	1,37,24,775
(b) Loans & Advances:		
(i) Advance recoverable	4,235	1,24,70,400
(ii) Deposits, loans and advances to corporates and others	1,38,25,81,016	70,46,08,123
Total (b = i + ii)	**1,38,25,85,251**	71,70,78,523
Total (a + b)	**1,48,96,83,224**	73,08,03,298
SCHEDULE - 9: SALES		
Stock-in-trade:		
- Non-agricultural Land (Plot at Khodal Park-B)	2,59,31,000	-
Total	**2,59,31,000**	-

M. J. RINDANI & ASSOC.

SAGAR MUKESH SHETH

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31st MARCH, 2020

(Amt. ₹)

PARTICULARS		THIS YEAR	LAST YEAR
SCHEDULE - 10: Other Income			
Bank Charges Refund		510	-
Business Consulting Fees		-	12,00,000
		510	12,00,000
SCHEDULE - 11 : ADMINISTRATIVE AND OTHER EXPENSES			
Compensation to employees			
- Salary		4,62,000	2,39,000
Telephone		10,499	7,665
Rera Fees		97,771	-
Others			
- Vehicle Expense	3,99,327		
- Interest on TDS	1,320		
- Land Charges	5,600		
- Builders Association Fees	5,900		
- Property Municipal Tax	1,21,425	5,33,572	3,20,394
	Total	11,03,842	5,67,059

M. J. RINDANI & ASSOC.

SAGAR MUKESH SHETH

SCHEDULE 12: ***Notes Forming Part of Accounts for The Year Ended On 31st March, 2020***

1. **Significant accounting policies followed by the assessee are as under:**

(i) Basis of Accounting:

These financial statements have been prepared under the historical cost convention (subject to treatment of conversion of capital asset to stock-in-trade at fair value) from the books of account maintained on an accrual basis in conformity with accounting principals generally accepted in India and comply with the Accounting Standards issued by The Institute of Chartered Accountants of India.

The preparation of financial statements in conformity with GAAP requires that the proprietor makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosure relating to contingent liabilities as of the date of the financial statements.

All assets and liabilities have been classified as current or non-current as per the Proprietorship Firm's normal operating cycle as arrived at by Proprietor, at twelve months.

(ii) Property, Plant & Equipment:

Properties, Plant & Equipment are stated at cost less depreciation (i.e. at WDV). The cost of an asset comprises its purchase price and directly attributable expenses. Expenditure for addition and improvements are capitalized as and when incurred.

(iii) Depreciation:

Depreciation is provided on Written Down Value Method on Business Assets, at rates specified in the Income-Tax Act, 1961. No depreciation is considered on personal assets.

(iv) Investments:

These are stated at cost. All are held for long term. Market value of Quoted Securities is not ascertained.

(v) Inventories:

Stock-in-trade of Non-agricultural land is shown at fair value upon its conversion from capital asset, in view of provisions of Sec. 45(2) of Income-Tax Act, 1961.

J. RINDANI & ASSO

SCHEDULE 12: *Notes Forming Part of Accounts For The Year Ended On 31st March, 2020*

(vi) Revenue Recognition:

Sale of developed/constructed real estate is recognised on granting of possession and upon receipt of entire consideration for sale, when significant risk would pass with no uncertainty. The entity is a builder-developer and not a contractor. Agricultural income is recognised in the year of realisation.

(vii) Employee Retirement Benefits (AS-15):

Short Term Benefits:

The amount of short-term employee benefits for the accounting period of service is recognized at undiscounted amount on accrual basis for the year as an expense or as an accrued expense.

Post employment benefits:

(i) Defined Contribution Plans:

There are no defined contribution plans adopted by the Proprietor whether during the year or on termination of service, hence question of accounting thereof does not arise.

(ii) Defined Benefit Plans:

There are no defined benefit plans adopted by the Proprietor whether during the year or on termination of service, hence question of accounting thereof does not arise.

(iii) Other long-term employee benefits:

There are no other long-term employee benefits payable by the Proprietor to employees as per its policy.

(viii) Impairment of Assets:

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment in accordance with Accounting Standard 28 "Impairment of Assets". If any indication of Impairment exists, the recoverable amount (i.e. The higher of the asset's net selling price and value in use) of such assets is estimated and impairment is recognized if the carrying amount of these assets exceeds their recoverable amount. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount but limited to the carrying amount that would have been determined (net of depreciation/amortization) had no impairment loss been recognized in prior accounting periods. As at balance sheet date i.e. as at 31-03-2020, there was no such impairment.

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SAGAR MUKESH SHETH

SCHEDULE 12: *Notes Forming Part of Accounts for The Year Ended On 31st March, 2020*

(ix) Taxes on Income:

No Provision for current tax is made in terms of the provisions of the Income Tax Act 1961 as the Proprietor follows the practice of debiting Income Tax to proprietor's capital account. Deferred tax on account of timing difference between taxable and accounting income is provided considering the tax rates and tax law enacted or substantively enacted by Balance Sheet Date, in accordance with Accounting Standard No. 22 of the Institute of Chartered Accountants of India.

(x) Provision, Contingent liabilities, Contingent Assets and Commitments:

A Provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.
Contingent liabilities are not recognized; but disclosed unless the probability of an outflow of resources is remote.

(xi) Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions in the estimates are recognized in the periods in which the results are known/materialize.

2. Balance Confirmations from Debtors, Creditors and for Loans & Advances were not called for. They are, in the opinion of the Proprietor, fully realizable/payable at stated values and are subject to confirmations and reconciliation.

3. Figures of previous year have been regrouped / recast wherever necessary.

M. J. RINDANI & ASSOC.

SCHEDULE 12: *Notes Forming Part of Accounts for The Year Ended On 31st March, 2020*

4. **Disclosure of transactions with related parties pursuant to Accounting Standard -18:**

Name	Nature of transactions	Relationship	Amount (₹) (This Year)	Amount (₹) (Last Year)
Mukesh M. Sheth	Loan Given	Father	68,92,39,355/-	25,76,26,734/-
Mukesh M. Sheth	Loan Received Back	Father	8,04,61,744/-	9,37,22,618/-
Sharadaben J. Doshi	Loans Taken	Mother's Mother	Nil	4,00,00,000/-
Sharadaben J. Doshi	Gift Received	Mother's Mother	89,88,50,000/-	Nil
Sharadaben J. Doshi	Loan Repaid	Mother's Mother	Nil	11,58,00,000/-
Sharadaben J. Doshi	Received as Legal Heir	Mother's Mother	58,76,90,758/-	Nil
Aanya S. Sheth	Gift Given	Daughter	3,00,000/-	4,45,000/-
Ansh S. Sheth	Gift Given	Son	1,50,000/-	1,50,000/-
Mukesh Manekchand Sheth HUF	Loan Taken	Father's HUF	Nil	1,50,00,000/-
Mukesh Manekchand Sheth HUF	Loan Repaid	Father's HUF	1,50,00,000/-	Nil
Sagar Mukesh Sheth HUF	Loan Taken	Individual's HUF	Nil	54,00,000/-
Sagar Mukesh Sheth HUF	Loan Repaid	Individual's HUF	54,00,000/-	37,00,000/-

Sagar Mukesh Sheth HUF	Loan Given	Individual's HUF	2,51,50,000/-	7,61,00,000/-
Sagar Mukesh Sheth HUF	Loan Received Back	Individual's HUF	2,51,50,000/-	7,61,00,000/-
Smita M. Sheth	Loan Taken	Mother	Nil	50,00,000/-
Smita M. Sheth	Loan Repaid	Mother	13,00,000/-	Nil
Grishma M. Sheth	Loan Given	Sister	Nil	4,25,00,000/-
Grishma M. Sheth	Loan Received Back	Sister	Nil	5,80,00,000/-
Narendra M. Sheth	Gift Received	Uncle	31,75,00,000/-	Nil

5. (i) During the year, non-agricultural land bearing Morbi Road Survey No. 143, F.P. No. 49/1 admeasuring 9624.69 sq. mtrs. was converted to and treated as stock-in-trade of real estate business. Fair market value thereof is adopted at Rs. 5,77,48,140/- on basis of registered valuer's report. Hence, the carrying value thereof in books is shown at such fair value. The excess of fair value is credited to personal capital account working whereof is as under:

Land (FP No. 49/1) area	9624.69 sq. mtrs.
Actual Cost in books as capital asset transferred to stock-in-trade account	Rs.1,95,14,108/-
Fair Value based on Valuer's report on date of conversion to stock	Rs.5,77,48,140/-
Excess credited to capital account	Rs.3,82,34,032/-

(ii) In compliance of provisions of Sec.45(2) of Income-tax Act, 1961, excess of fair value on date of conversion (20-10-2019) and indexed cost of the portion sold is being offered to tax as long-term capital gain and the excess of sale price over fair value is being offered to tax as business profit.

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