

NOTICE

NOTICE is hereby given that the 18th Annual General Meeting of the Members of Model Economic Township Limited will be held on Friday, 7th June, 2024, at 3 pm at 3rd Floor, 77-B, IFFCO Road, Sector-18, Gurugram - 122015 (Haryana) via video-conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following Businesses:

ORDINARY BUSINESS:

1. To consider and adopt the audited Financial Statements of the Company for the year ended March 31, 2024 and the Report of the Board of Directors and the report of Auditors thereon and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary resolution:

"RESOLVED THAT the audited financial statements of the Company for the financial year ended March, 31, 2024 and reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To appoint Shri Shanker Adawal (DIN: 01039400), who retires by rotation and being eligible, offers himself for re- appointment as a Director, and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary resolution:

"RESOLVED THAT pursuant to the provisions of section 152 and other applicable provisions of the Companies, Act, 2013, Shri Shanker Adawal (DIN: 01039400), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS:

3. To ratify the remuneration of Cost Auditors of the Company for the year ending March 31, 2025, and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary resolution:

"RESOLVED THAT pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of Rs. 66,000/- (Rupees Sixty Six Thousand only) plus Goods and services tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Year ending 31st March, 2025 as approved by the Board of Directors of the Company in its meeting held on 11th April, 2024, payable to M/s. Shome & Banerjee, Cost Accountants (Registration No.000001), as the Cost Auditors of the Company appointed by the Board of Directors, to conduct the cost audit of the Company for the Financial Year ended on 31st March, 2025, be and is hereby ratified and confirmed."

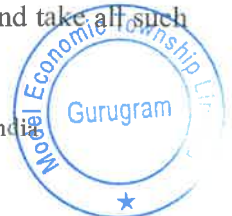
RESOLVED FURTHER THAT the Board of Directors (including its Committee thereof) or the Company Secretary of the Company, be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Regd. Office: 3rd Floor, 77-B, IFFCO Road, Sector-18, Gurgaon-122015, Haryana, India

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CIN : U70109HR2006PLC036416

www.ModelEconomicTownship.com



4. To approve payment of remuneration to Shri Sudhir Kumar Jain, Whole-time Director of the Company and in this regard to consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

“RESOLVED THAT further to and in partial modification of the special resolution passed by the members at the Extra Ordinary General Meeting (“EGM”) of the Company held on March 06, 2024 in accordance with the provisions of Section 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (“the Act”) (including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded for payment of remuneration, including the remuneration to be paid in event of loss or inadequacy of profit, on the terms and conditions as set out in the Statement annexed to the Notice convening this meeting, to Shri Sudhir Kumar Jain, (DIN: 05205213), Whole-time Director of the Company (who was appointed at the EGM for a period of three years effective September 7, 2023), for the balance period from April 1, 2024 to September 6, 2026, with liberty to the Board of Directors (hereinafter referred to as “Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the remuneration as it may deem fit and as may be acceptable to Shri Sudhir Kumar in accordance with Section 197 of the Act read with Schedule V to the Act or any statutory modification(s) thereto or re-enactment(s) thereof;

RESOLVED FURTHER THAT the Board of Directors or the Secretary of the Company be and is hereby authorized to do all such acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

5. To approve payment of remuneration to Shri Shrivallabh Goyal, Whole-time Director of the Company and in this regard to consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

“RESOLVED THAT in furtherance to and in partial modification of the special resolution passed by the members at the Fifteenth Annual General Meeting of the Company held on August 27, 2021 (“the Fifteenth AGM”) and in accordance with the provisions of Section 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (“the Act”) (including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded for payment of remuneration, including the remuneration to be paid in event of loss or inadequacy of profit, on the terms and conditions as set out in the Statement annexed to the Notice convening this meeting, to Shri Shrivallabh Goyal, (DIN: 00021471), Whole-time Director of the Company (who was appointed at the Fifteenth AGM for a period of three years effective December 5, 2021), for the balance period from April 1, 2024 to December 5, 2024, with liberty to the Board of Directors (hereinafter referred to as “Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the remuneration as it may deem fit and as may be acceptable to Shri Shrivallabh Goyal in accordance with Section 197 of the Act read with Schedule V to the Act or any statutory modification(s) thereto or re-enactment(s) thereof;



RESOLVED FURTHER THAT the Board of Directors or the Secretary of the Company be and is hereby authorised to do all such acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

Place: Gurugram


Dated: 13th May, 2024

**By Order of the Board
For Model Economic Township Limited**



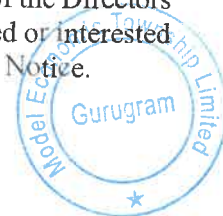
Registered Office:

3rd Floor, 77B, IFFCO Road,
Sector 18, Gurugram- 122015 (Haryana)


**(Shrivallabh Goyal)
Whole Time Director**

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has, vide its circular dated September 25, 2023 read together with circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 05, 2022 and December 28, 2022 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), without physical presence of the Members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder, the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Generally, a Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on his / her behalf on poll at the Meeting and a proxy need not be a Member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed hereto.
3. Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.
4. In compliance with the MCA Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company / Depository Participant(s).
5. Corporate Members intending to authorize their representative(s) to attend the Meeting are requested to send to the Company vide an email at the_ankita1.bajaj@ril.com, a certified true copy of the relevant Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting before the commencement of the Meeting.
6. Members / Representative(s) attending the Meeting through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.
7. As per the Section 152(6) of the Companies Act, 2013, Shri Shanker Adawal, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Company has received consent of Shri Shanker Adawal to act as Director of the Company and also a declaration that he is not disqualified to be appointed as Director under Section 164(1) and 164(2) of the Companies Act, 2013. The Nomination & Remuneration Committee and Board of Directors of the Company have recommended his re-appointment.
8. Shri Shanker Adawal is interested in the Resolution set out at item No 2 of the Notice with regard to their appointment. Shri Sudhir Kumar Jain and Shri Shrivallabh Goyal are interested in the Resolution set out at item No. 4 and 5 respectively. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are in any way concerned or interested financially or otherwise, in the Ordinary Business set out under item no 1 & 3 of the Notice.



9. In case of joint holders attending the Meeting, only such joint holder, who is higher in the order of names will be entitled to vote at the Meeting.
10. Relevant documents referred to in the Notice are open for inspection by the members at the registered office of the Company on all working days (that is, except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting. The aforesaid documents will also be available for inspection by members at the Meeting.
11. The Company's Registrars & Transfer Agents (RTA) for its share registry (both physical as well as electronic) are KFin Technologies Private Limited having its office at Karvy Selenium Tower B, Plot 31-21, Gachibowli Financial District, Nanakramguda, Hyderabad 500 032
12. Members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their Depository Participants (DP) with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to advise any change in their address or bank mandates to the Company / RTA.
13. Attention of the member is drawn to the provision of Sections 124 and 125 of the Act, which require the Company to transfer in the name of IEPF Authority, dividend and shares in respect of which dividend has not been paid or claimed for 7 (Seven) consecutive year. The action has not been initiated for the Transfer of Dividend and shares in respect of which dividend has not been paid or claimed to Investor Education Investor Protection Fund as no dividend has been declared in any previous year(s).
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Member 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.
15. Members who have not registered / updated their e-mail addresses with RTA, if share are held in physical mode or with their DPs, if shares are held in electronic mode, members are requested to do so for receiving all future communications from the Company including Annual Reports, Notices, Circulars, etc., electronically.
16. The Results shall be declared on or after the Annual General Meeting of the Company and shall be deemed to be passed on the date of Annual General Meeting.



Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act")

Special Business

Item No. 3

Ratification of remuneration to the Cost Auditors, Pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration of 66,000 (Rupees Sixty Six Thousand only) plus Goods and service tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending 31st March, 2025 as approved by the Board of Directors of the Company in its meeting held on 11th April, 2024, to M/s. Shome & Banerjee, Cost Accountants (Registration No.000001), for conducting cost audit of the Company for the Financial year ended on 31st March, 2025 is required to be ratified and confirmed by the shareholders.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board recommends the Ordinary Resolutions set forth in Item No. 3 (special business) for ratification and confirmation of the Members.

Item No. 4

The Members of the Company at the Extra Ordinary General Meeting held on March 6, 2024, had approved the appointment of Shri Sudhir Kumar Jain as Whole-time Director designated as Executive Director of the Company, for a period of 3 (three) years, effective September 7, 2023 and approved remuneration payable to him, as recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company.

It is proposed to seek members' approval by passing a special resolution for payment of remuneration to Shri Sudhir Kumar Jain up to the limit of Rs. 2,00,00,000/- (Rupees Two Crore only), Whole-time Director of the Company, for the balance period from April 1, 2024 to September 6, 2026 in terms of Section 197 of the Act read with Schedule V to the Act.

Information in terms of the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 are as under:

I. GENERAL INFORMATION		
(1)	Nature of Industry	Developing, management and operation of Industrial Township
(2)	Date or expected date of commencement of commercial production	Not Applicable
(3)	In case of new companies, expected date of commencement of activities as	Not Applicable



	per project approved by financial institutions appearing in the prospectus		
(4)	Financial Performance based on given indicators	Financial year ended March 31, 2024	
		Total Income	Rs. 1 08 924 Lakh
		Loss after tax	Rs. 6 005 Lakh
		EPS	Rs. (6.19)
(5)	Foreign investments or collaborations, if any	NA	
II. INFORMATION ABOUT THE APPOINTEE:			
(1)	Background details	<p>Shri Sudhir Kumar Jain serves as the Chief Financial Officer and Whole Time Director on the Board of Model Economic Township Limited.</p> <p>Shri Sudhir Kumar Jain holds – Graduation in B.Com (Hons), Chartered Accountancy from ICAI, Graduate in Law (LLB), Masters in Law (LLM), Company Secretary from ICSI and Cost Accountant from ICWAI.</p> <p>He has rich and varied experience of more than 39 years in different sectors including Power, Oil and Gas sector, Financial Services and Real Estate (industrial park development). His areas of experience has been Project Appraisal, raising International Finance (including bilateral/ multilateral financing), de-regulation policies issues and oil and gas tax regulatory issues with Government, benchmarking and pricing of crude oil, natural gas and petroleum products, establishing commodity hedging policy framework for oil and gas, Tariffs policy formulation for power sector, corporate restructuring, joint ventures, finance, accounts and legal/tax compliance functions.</p> <p>Previously he has worked with organizations like ONGC, NTPC, NHPC, NABARD and GUJARAT GAS. He has been associated with Reliance Group since 2006.</p>	
(2)	Past Remuneration	Rs. 112 Lakh per annum	

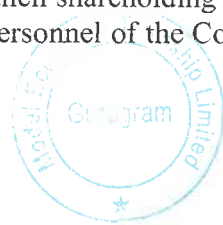


(3)	Recognition or awards	
(4)	Job Profile and his suitability	Overall management and day to day operations of the company.
(5)	Remuneration proposed	As mentioned above
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the size of Company's operation, the proposed remuneration is commensurate with the General industry trend.
(7)	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	None
III. OTHER INFORMATION:		
(1)	Reasons for loss or inadequate profits	<p>In addition to carrying out development of its licensed colony, the Company is presently focusing on consolidation of its large land holdings before the same becomes developable and monetizable. Such large sized projects of similar nature and scale take long time to be developed and monetized.</p> <p>During the year, the Company has booked transactions of land exchange (barter transactions) at fair values required under the applicable accounting standards which has also resulted loss in the Company.</p>
(2)	Steps taken or proposed to be taken for improvement	With more development of high margin products, the profit of the Company is likely to increase in the future.
(3)	Expected increase in productivity and profits in measurable terms	The Company has started developing and monetising the residential component of integrated industrial township, the margins are far better. We expect the profit in future to go up but the measurement of the same is not feasible.

The above may also be treated as a written memorandum setting out the terms of remuneration of Shri Sudhir Kumar Jain under Section 190 of the Act read with special resolution passed by the members at the Extra Ordinary General Meeting of the Company held on March 06, 2024.

Details of Shri Sudhir Kumar Jain are provided in the "Annexure to this Notice" and the same form part of this Statement.

Save and except Shri Sudhir Kumar Jain and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company/



their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the Members.

Item No. 5

The Members of the Company at the 15th Annual General Meeting held on August 27, 2021, had approved re-appointment of Shri Shrivallabh Goyal as Whole-time Director designated as Executive Director of the Company, for a period of 3 (three) years, effective December 5, 2021 and approved remuneration payable to him, as recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company.

It is proposed to seek members' approval by passing a special resolution for payment of remuneration to Shri Shrivallabh Goyal up to the limit of Rs. 4,00,00,000/- (Rupees Four Crore only), Whole-time Director of the Company, for the balance period from April 1, 2024 to December 5, 2024 in terms of Section 197 of the Act read with Schedule V to the Act.

Information in terms of the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 are as under:

IV. GENERAL INFORMATION		
(1)	Nature of Industry	Developing, management and operation of Industrial Township
(2)	Date or expected date of commencement of commercial production	Not Applicable
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
(4)	Financial Performance based on given indicators	Financial year ended March 31, 2024
		Total Income Rs. 1 08 924 Lakh
		Loss after tax Rs. 6 005 Lakh
		EPS Rs. (6.19)
(5)	Foreign investments or collaborations, if any	NA
V. INFORMATION ABOUT THE APPOINTEE:		
(1)	Background details	<p>Dr. Shrivallabh Goyal serves as a Whole Time Director on the Board of Model Economic Township Limited.</p> <p>Dr. Shrivallabh Goyal holds - Master Degree in Commerce, Chartered Accountancy from ICAI, Graduate in Law (LLB), Company</p>

		<p>Secretary from ICSI and earned Honorary Doctorate in the field of Industrial Infrastructure & Resources from Singhania University for his outstanding contribution.</p> <p>Dr. Shrivallabh Goyal, was Sr. Vice President of Reliance Industries Limited.</p> <p>Dr. Goyal had worked with leading Indian Business Groups such as the JK Group and FACOR before being part of the Reliance.</p>
(2)	Past Remuneration	Rs. 313 Lakh per annum
(3)	Recognition or awards	Business Leadership Award 2018 for Best Industrial Township by ASSOCHAM
(4)	Job Profile and his suitability	Overall management and day to day operations of the company.
(5)	Remuneration proposed	As mentioned above
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the size of Company's operation, the proposed remuneration is commensurate with the General industry trend.
(7)	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	None
VI. OTHER INFORMATION:		
(1)	Reasons for loss or inadequate profits	<p>In addition to carrying out development of its licensed colony, the Company is presently focusing on consolidation of its large land holdings before the same becomes developable and monetizable. Such large sized projects of similar nature and scale take long time to be developed and monetized.</p> <p>During the year, the Company has booked transactions of land exchange (barter transactions) at fair values required under the applicable accounting standards which has also resulted loss in the Company.</p>
(2)	Steps taken or proposed to be taken for improvement	With more development of high margin products, the profit of the Company is likely to increase in the future.



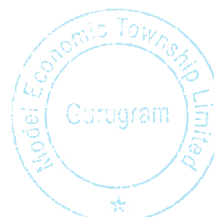
(3)	Expected increase in productivity and profits in measurable terms	The Company has started developing and monetising the residential component of integrated industrial township, the margins are far better. We expect the profit in future to go up but the measurement of the same is not feasible.
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The above may also be treated as a written memorandum setting out the terms of remuneration of Shri Shrivallabh Goyal under Section 190 of the Act read with special resolution passed by the members at the Annual General Meeting of the Company held on August 27, 2021.

Details of Shri Shrivallabh Goyal are provided in the "Annexure to this Notice" and the same form part of this Statement.

Save and except Shri Shrivallabh Goyal and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members.



DIRECTOR'S REPORT

Dear Shareholders,

Your Directors are pleased to present the eighteenth Annual Report together with the Audited Financial Statements of Model Economic Township Limited for the year ended March 31, 2024.

Financial Performance

The Company's standalone financial results for the year ended March, 31, 2024 are summarized below:

Particulars	Rs. in Lakh	
	Financial Year ended	
	31 st March, 2024	31 st March, 2023
Revenue from operations	1 05 940	60 680
Interest and other income	2 984	940
Profit / (Loss) Before depreciation, exceptional item and taxes	(5 678)	5 950
Depreciation	469	274
Profit/(loss) Before Tax	(6147)	5 676
Income Tax	(142)	(28)
Profit after tax	(6 005)	5 704
Other comprehensive Income	(7)	(6)
Amount transferred to reserves	-	-
Balance Carried to Balance Sheet	(6 012)	5 698

Financial Results

During the year, the total income of Company has been Rs. 1 08 924 lakh as compared to Rs 61 619 lakh in the previous year. The increase is on account of higher revenue from sale of plots.

There have been no material changes and commitments, if any, affecting the financial position of your Company, which have occurred between the end of financial year of your Company to which the financial statements relate and the date of this report.

Capital/ Finance

The paid-up equity capital as on 31st March, 2024 is Rs. 97 00 00 000 consisting of 9 70 00 000 equity shares of Rs. 10 each. During the year, there is no Change in the Capital.

Business Review/State of the Company's affairs

The Company continues to undertake the development of Model Economic Township on Industrial Colony framework.



Sanctions and approvals

During the year, your Company obtained additional licenses for 257 acres, which makes total licensed area of 2,161 acres. Your Company also obtained part completion for two of its industrial projects from Director, Town and Country Planning (DTCP). Your Company obtained additional registration of three new projects aggregating to 233 acres and thus making thirteen registered projects aggregating to 1,461 acres registered under Real Estate (Regulation and Development) Act, 2016 from Real Estate Regulatory Authority, Panchkula. During the year, the State Government notified revised Low-Density Eco Friendly (Farmhouse) policy. Your Company was first to apply for license on an area of around 42 acres to provide sustainable living to senior management/promoters of industrial units set up in MET City.

Business Development

During the year, your Company has achieved highest ever collections and plot booking of Rs. 1660 Cr and Rs. 1,900 Cr respectively. Plot prices have also witnessed growth by 24% for industrial plots and 60% for residential plots, which speaks increasing public confidence in your Company's project, which is a key for sustainable growth.

During the year, your company launched one general plotted residential project and got overwhelming response from the market.

Your Company sold industrial plots to multiple large marquee customers including SAAB (India's 1st 100% FDI in Defense from Sweden), Sanko Gosei (Japan), Svam Toyal (Japan), NeoPearl (Switzerland), Shilla C&T(Korea) and Jway (Korea), ERDA & Dhoot Transmission (India). More than 480 companies from 9 different countries are allotted industrial plots, including your Company as one of the Japan Industrial Townships with 7 Japanese companies. At the end of this fiscal, 135 companies are under construction and 41 companies have commenced their operations in MET City. Over 40,000 direct employments generated till date. Your Company has been organizing successive customer engagement events called 'MET Konnect' to enhance customer experience and provide them first-hand information on many relevant topics.

To increase the visibility of your Company, we participated in multiple cross sector and industry events, set up stalls in Smart City Expo and Bharat Mobility Expo in Delhi to showcase the urban development strengths of its park and to attract more investments to the same.

Warehousing business

Your Company continues to develop warehousing facilities on land adjacent to its licensed colony in joint venture with IndoSpace, a major warehousing player in India. The project consists of five warehouse buildings. During the year the SPV has completed construction of first 3 buildings and out of this, an area of 2.30 Lakh square feet is being leased.

Infrastructure Development

Your Company has completed infrastructure development works on seven of its projects on total project area of ~ 1,200 acres. Your Company has begun infrastructure development on ~ 350 acres in different sectors in addition to continuing development on ~ 130 acres. In addition, during the year, water storage capacities have been installed in several sectors for 24*7 water supply to its units/residents. Your Company has been working on establishing continuous surveillance network in its licensed townships.

During the year, second transformer was installed and commissioned on its 220/33 KV sub-station thus enhancing the capacity from 80 to 160 MVA.



Land Consolidation

During the year, your company continued to make efforts for land consolidation to make land parcels contiguous for development, coordinate with Government of Haryana for various approvals and with the potential buyers/co-developers/investors to partner with your company for development of the Model Economic Township Project. With the efforts of your Company, a significant part of its land holdings has become available for development/monetization during the year.

Credit Rating

The Company's financial discipline and prudence is reflected in the strong credit rating ascribed by rating agency CARE Rating Limited by awarding CARE AAA; Stable rating for its non-fund based long term bank guarantee, which was renewed during the year with same rating.

Dividend

No dividend has been recommended by the Directors during the year.

Public Deposits

Your Company has neither invited nor accepted any deposits from public falling within the purview of section 73 of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules 2014 during the year. There is no unclaimed or unpaid deposit lying with the Company.

Secretarial Standard

The Directors state that notified Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied with by the Company.

Awards and Recognition

During the year, your Company got following awards-

1. Integrated Township of the Year award by Times Real Estate – Apr'23
2. Most Sustainable City award by FICCI 2023 – May'23
3. Brand Award by The Brand Story – Sep'23
4. Best Innovative CSR award for its Mission Navodaya project by UBS Forum – Sep'23
5. Urban Planning and Design Excellence award by NAREDCO – Jan'24
6. Best Diversity and Inclusion Initiative Award under NGO category by SRI Foundation – Feb'24
7. Best Social Welfare Initiative CSR Project for its Mission Sehyog project by UBS Forums – Mar'24



Sustainability

Financial Sustainability

Your Company has moved from low margin industrial plotted development to high margin residential/commercial plotted development and has continuously worked on sustainable financial model to generate adequate cash flows to meet its project funding requirements. To de-risk its project, it has consciously started multiple developments with varied target groups so that its cash flows are not impacted even in adverse market conditions.

Environment Sustainability

Your Company is conscious about its social responsibility to protect and preserve environment and in this direction, environment friendly development is undertaken with aim to maximize the green cover in both industrial as well as residential colonies. In recognition of its efforts, your Company has been granted IGBC Platinum Rated Greenfield Smart City in India.

Directors' Responsibility Statement

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors state that:

- (a) In the preparation of the annual accounts for the year ended March, 31, 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed along with proper explanation relating to material departures from the same;
- (b) The Directors had 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 as at March, 31, 2024 and of the loss of the Company for the year ended on that date;
- (c) The Directors have taken 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;
- (d) The Directors have prepared the annual accounts on a going concern basis;
- (e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Holding Company and Subsidiaries, Joint Ventures and Associate Companies

Your Company continues to be Subsidiary of Reliance Ventures Limited, which is a wholly owned subsidiary of Reliance Industries Limited.

During the year, your Company purchased whole equity of Reliance Innovative Building Solutions Private Limited and made it wholly owned subsidiary of your Company.



Directors and Key Managerial Personnel

In accordance with the provision of the Companies Act, 2013, Shri Shanker Adawal (DIN: 01039400) Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended his re-appointment subject to approval by members at the ensuing Annual General Meeting of your Company.

During the year, following changes took place in your Company:

- (a) Shri Sudhir Kumar Jain (DIN- 05205213) was appointed whole time director.
- (b) Ms. Ritu Bhojak (DIN- 10303611) was appointed as woman director in the Company in place of Ms. Mohana V. (DIN- 08333092) who resigned due to her pre-occupation

Declaration by Independent Directors

The Company has received declaration of independence from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act 2013.

Board Evaluation

The Company has in place a Policy for performance evaluation of Independent Directors, Board, its Committees, Chairman of the Board of Directors and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors.

On the basis of the Policy for performance evaluation of Independent Directors, Board, its committees and other individual Directors, feedback was obtained from all the Directors by way of structured questionnaire for the evaluation of the Board, its committees and the individual directors covering, inter-alia, various aspects of their performance including composition and skills, board dynamics, understanding of Company's operations, contribution at meetings and inter-personal skills. The responses received were evaluated by the Board.

The Extract of both the Policies for Selection of Directors and determining Directors' independence; and Remuneration Policy for Directors, Key Managerial Personnel and other employee's is available on the website of the company under the link <https://www.modeleconomictownship.com/policies.html>

Details of Board meetings

During the year, six Board meetings were held, details of which are given below:

Date of meeting	No. of Meeting	No. of Directors attended the meeting	Name of Directors attended the meeting
April 10, 2023	91 st	4	Shri Shrivallabh Goyal Shri Naresh Kumar Jain Shri Basant Parasramka Ms. Mohana V.
June 1, 2023	92 nd	5	Shri Shrivallabh Goyal Shri Naresh Kumar Jain



			Shri Ramesh Kumar Damani Shri Basant Parasramka Ms. Mohana V.
July 10, 2023	93 rd	5	Shri Shrivallabh Goyal Shri Naresh Kumar Jain Shri Ramesh Kumar Damani Shri Basant Parasramka Ms. Mohana V.
September 7, 2023	94 th	5	Shri Shrivallabh Goyal Shri Naresh Kumar Jain Shri Ramesh Kumar Damani Shri Basant Parasramka Ms. Mohana V.
October 11, 2023	95 th	5	Shri Shrivallabh Goyal Shri Naresh Kumar Jain Shri Basant Parasramka Shri Ramesh Damani Shri Sudhir Kumar Jain
December 28, 2023	96 th	7	Shri Shrivallabh Goyal Shri Shanker Adawal Shri Ramesh Damai Shri Naresh Kumar Jain Shri Basant Parasramka Smt Ritu Bhojak Shri Sudhir Kumar Jain
January 10, 2024	97 th	6	Shri Shrivallabh Goyal Shri Ramesh Damani Shri Naresh Kumar Jain Shri Basant Parasramka Smt Ritu Bhojak Shri Sudhir Kumar Jain
March 1, 2024	98 th	7	Shri Shrivallabh Goyal Shri Shanker Adawal Shri Ramesh Damani Shri Naresh Kumar Jain Shri Basant Parasramka Smt Ritu Bhojak Shri Sudhir Kumar Jain
March 7, 2024	99 th	5	Shri Shrivallabh Goyal Shri Naresh Kumar Jain Shri Basant Parasramka Smt Ritu Bhojak Shri Sudhir Kumar Jain

Corporate Governance

Board Committees

As required by sections 177 and 178 of the Companies Act 2013, Board of Directors of your Company constituted three Board Committees namely Audit Committee, Nominations and remuneration Committee and Corporate Social Responsibility Committee with following members:



Audit Committee

S.N.	Name of Director	Status in Committee
1.	Shri Shrivallabh Goyal	Chairman
2.	Shri Naresh Kumar Jain	Member
3.	Shri Basant Parasramka	Member

During the year all the recommendations made by the Audit committee were accepted by the Board.

The term of reference of Audit Committee is per **Annexure I**.

Nominations and remuneration Committee

S.N.	Name of Director	Status in Committee
1.	Shri Naresh Kumar Jain	Chairman
2.	Shri Shanker Adawal	Member
3.	Shri Basant Parasramka	Member

During the year all the recommendations made by the Nomination and Remuneration committee were accepted by the Board.

The term of reference of Nomination and Remuneration Committee is as per **Annexure II**.

Corporate Social Responsibility Committee

S.N.	Name of Director	Status in Committee
1.	Shri Shanker Adawal	Chairman
2.	Shri Shrivallabh Goyal	Member
3.	Shri Naresh Kumar Jain	Member

The term of reference of the Corporate Social Responsibility Committee is per **Annexure III**.

During the year all the recommendations made by the Corporate Social Responsibility Committee were accepted by the Board.

Details of Committee meetings

Audit Committee

During the year, seven meetings of Audit Committee were held, details of which are given below:

Date of Meeting	No. of Meeting	No. of Directors attended the meeting	Name of Directors attended the meeting
April 10, 2023	40 th	3	Shri Shrivallabh Goyal Shri Basant Parasramka Shri Naresh Kumar Jain
July 10, 2023	41 st	3	Shri Shrivallabh Goyal Shri Basant Parasramka Shri Naresh Kumar Jain



October 11, 2023	42 nd	3	Shri Shrivallabh Goyal Shri Basant Parasramka Shri Naresh Kumar Jain
December 28, 2023	43 rd	3	Shri Shrivallabh Goyal Shri Basant Parasramka Shri Naresh Kumar Jain
January 10, 2024	44 th	3	Shri Shrivallabh Goyal Shri Basant Parasramka Shri Naresh Kumar Jain
March 1, 2024	45 th	3	Shri Shrivallabh Goyal Shri Basant Parasramka Shri Naresh Kumar Jain

Nomination and Remuneration Committee

During the year, two meetings of Nomination and Remuneration Committee were held, details of which are given below:

Date of meeting	No. of Meeting	No. of Directors attended the meeting	Name of Directors attended the meeting
April 10, 2023	18 th	2	Shri Naresh Kumar Jain Shri Basant Parasramka
June 1, 2023	19 th	2	Shri Naresh Kumar Jain Shri Basant Parasramka
September 7, 2023	20 th	2	Shri Naresh Kumar Jain Shri Basant Parasramka
October 11, 2023	21 st	2	Shri Naresh Kumar Jain Shri Basant Parasramka
March 1, 2024	22 nd	2	Shri Naresh Kumar Jain Shri Basant Parasramka

Corporate Social Responsibility Committee

During the year, one meeting of Corporate Social Responsibility Committee was held, details of which are given below:

Date of meeting	No. of Meeting	No. of Directors attended the meeting	Name of Directors attended the meeting
April 7, 2023	2 nd	3	Shri Shanker Adawal Shri Naresh Kumar Jain Shri Shrivallabh Goyal
January 10, 2024	3 rd	2	Shri Naresh Kumar Jain Shri Shrivallabh Goyal

General Meetings

Date of Meeting	Annual/Extraordinary General Meeting
May 26, 2023	Annual General Meeting
March 6, 2024	Extraordinary General Meeting
March 7, 2024	Extraordinary General Meeting



Risk Management

Your Directors approved the risk management framework and constituted Business Risk and Assurance Committee consisting of Heads of each of the function to (a) monitor risk and effectiveness of risk management; (b) review the effectiveness of control system to minimize/mitigate the risk; (c) report adequacy of internal control systems and processes and their effectiveness of implementation. The Committee is required to oversee that all the risk that the organization faces, such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory and other risk, are identified and assessed and there is an adequate risk management system in place capable for addressing those risk.

The Risk Management Framework, which provides for a robust risk management mechanism to identify and assess risks such as operational, financial, regulatory and other risks. It outlines the objectives, scope, process and monitoring mechanism for risk management in the Company. There is an adequate risk management infrastructure in place capable of addressing these risks.

Your Company manages, monitors and reports on principal risk and uncertainties that can impact its ability to achieve its strategic objectives. Your company has made out detailed standard operating procedures and identified various risk associated with each of its activity / sub-activity along with mitigation approach. Your company has implemented legal compliance portal where various compliances under the applicable laws have been uploaded to avoid occurrence of any non-compliance.

Statutory Auditors, their Report and Notes to Financial Statements

M/s. Chaturvedi and Shah, LLP, Chartered Accountants were appointed as Statutory Auditors of the Company for a term of 5 (five) consecutive years, at the Annual General Meeting held on 31st May, 2022.

The Notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Audit

The Board of your Company has appointed M/s Shome & Banerjee, Cost Accountants, (Registration No.000001) as the Cost Auditors for conducting the audit of cost records for products and services of the Company for the Financial Year 2024-25.

Secretarial audit

The Secretarial Audit Report for the financial year ended March 31, 2024 is annexed herewith marked as "Annexure IV" to this report. The Secretarial Audit report does not contain any qualification, reservation, adverse remark or disclaimer.

The Board of your Company has re-appointed M/s P.I. & Associates, Practicing Company Secretaries, as secretarial auditors of the Company, as required in Section 204 of the Companies Act, 2013, to conduct the secretarial audit of the company for the year 2024-25.



Related party transactions

All the contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Copy of the Form no. AOC-2, as prescribed under section 134 (3) (h) of the Companies Act 2013, is at **Annexure V**.

Your Directors draw attention of the members to Note 30 to the financial statement which sets out related party disclosures pursuant to Ind AS.

Internal Financial Controls and its adequacy

You company has in place adequate internal financial controls with reference to financial statements. During the year such controls were tested and no reportable material weakness in the designs or operations were observed.

During the year, your Board has appointed Reliance Internal Audit team, consisting of Chartered Accountants, Cost Accountants and Engineers as Internal Auditors to conduct internal audit of the Company. The scope of the internal audit covers all the business activities, including transaction Audit and Tax compliances. The internal Auditors have also reviewed the internal financial control systems established by the Company and have reported that these systems are adequate and working effectively.

Corporate Social Responsibility

During the year, your Company continues to take following initiatives in its community engagement/CSR activities:

In Health Care area, your Company has established Aarogya Clinic, conducted 40 specialized health camps, operated a Mobile Medical Unit to deliver essential health services at the door steps of MET villages and construction sites, and supported eye care initiatives providing 823 spectacles and 34 individuals underwent cataract surgery, benefiting over 30,000 underprivileged individuals.

In Education area, implemented Mission Navodaya and AURO Scholarship Program, introduced STEM Mini Science Centers, provided education materials, solar systems, and infrastructure support to schools. Skill development center trained over 200 individuals in Computer Data Entry, with 164 securing placements in nearby industries.

Your Company started Mission Sahyog and connected 1856 families with government schemes, securing benefits for them from government schemes. In community engagement programs, various programs were organized in MET villages, with approximately 3000+ attendees, including Tiranga cycle rally, Independence Day and Republic Day celebrations, blanket distribution, blood donation drive, GPDP workshop, and International Yoga Day.

In Sports, your Company organized cricket tournament, developed cricket stadiums, supported wrestling and football tournaments, and provided financial assistance to sports associations and athletes, promoting sports and nurturing local talent.

In Women Empowerment area, your Company provided three-month training sessions to 180 women in cutting, tailoring, and beautician programs, fostering self-reliance and socio-economic empowerment.



To support village infrastructure Development, your Company constructed community sheds, Repair of Classrooms, boundary walls, and facilitated backfilling work in MET villages, enhancing amenities and community engagement.

Report on Corporate Social Responsibility activities for the year 2023-24 is attached as **Annexure V**.

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo

(a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	Your Company is in the process of development of Model Economic Township Project.
(ii)	the steps taken by the company for utilizing alternate sources of energy	
(iii)	the capital investment on energy conservation equipment	
		During the development, your company has been evaluating various energy conservation options and implement them wherever found feasible and thereafter report.
		As an initial step towards energy conservation measures your Company has installed LED based street lights and installed solar power plants.

(b) Technology absorption

(i)	the efforts made towards technology absorption	Your company is evaluating various technologies for building construction, infrastructure development, treatment of water and waste water, power management, customer relationships etc for implementation and absorption during the development for deriving benefits in cost and product development.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	
iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Not applicable
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	Nil



(c) Foreign exchange earnings and Outgo

During the year, the foreign exchange expenditure is Rs. 27 82 906.

Extract of Annual Return

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, link of annual reports of the company relating to previous years is given below:

<https://www.modeleconomictownship.com/financial-reporting.html>

Particulars of Employees

Being an unlisted Company, the details of employee remuneration, as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

Human Resources

Your Company treats its "human resources" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs with focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation, job enrichment training and job enlargement.

Your company has complied with the provisions relating to constitution of internal complaints committee under the sexual harassment of Women at Workplace (Prevention Prohibition and Redressal) Act 2013.

Vigil mechanism and Whistle Blower policy

Your Company has established vigil mechanism and whistle blower policy and also constituted Ethics and Compliance Task Force to handle the complaints received from various internal as well as external stakeholders of your company with an object to conduct the business of your Company with best ethical practices in line with the policies of its holding company.

Reporting of Fraud

The Auditors of your Company have not reported any fraud as specified under section 143 (12) of the Companies Act 2013. Further no case of fraud has been reported to the management of your Company from any other source.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year

During the year, neither your Company has made an application under the Insolvency & Bankruptcy Code, 2016 nor is any proceeding pending against your Company under said Code.



Details of the difference between amount of valuation done at the time of one-time settlement and the valuation done while taking loans from the Banks or Financial Institutions along with the reasons thereof

During the year, the Company has not taken loan from the Banks or Financial Institutions

General

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

- (i) Details relating to deposits covered under Chapter V of the Act.
- (ii) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- (iii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees Stock Options Plan referred to in this Report.
- (iv) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- (v) The Whole-time Directors of the Company did not receive any remuneration or commission from any of its associate.
- (vi) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- (vii) No fraud has been reported by the Auditors to the Audit Committee or the Board.

Acknowledgement

Your Directors place on record their appreciation for the contribution of employees at all levels towards the growth and performance of your Company.


Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Governments, and other statutory authorities for their continued support.

For and on behalf of the Board

For Model Economic Township Limited


Shrivallabh Goyal
(Whole-time Director)


Shanker Adawal
(Director)

Date : 11th April, 2024
Place : Gurugram (Haryana)



The term of reference of the Audit Committee includes:

- (i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (ii) The recommendation for appointment, reappointment, remuneration and terms of appointment of the auditors of the Company;
- (iii) Recommending to the Board, the replacement or removal of Statutory Auditors including Cost Auditors;
- (iv) Review and monitor the auditor's independence and performance and effectiveness of audit process;
- (v) Examination of the financial statement and the auditor's report thereon;
- (vi) Approval or any subsequent modification of transactions of the Company with related parties;
- (vii) Scrutiny of inter- corporate loans and investments;
- (viii) Valuation of undertakings or assets of the company, whenever it is necessary;
- (ix) Evaluation of internal financial controls and risk management systems;
- (x) Monitoring the end use of funds raised through public offers and related matters;
- (xi) Approval of payment to Statutory Auditors including Cost Auditors for any other services rendered by them;
- (xii) To call for the comments of the auditors about internal control systems, scope of audit, observations of auditors;
- (xiii) Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by the management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of related party transactions;
 - (g) Qualifications in draft audit report.
- (xiv) Reviewing with the management, the quarterly financial statements before submission to the Board for approval;



- (xv) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (xvi) Reviewing with the management, the performance of Statutory Auditors including Cost Auditors and Internal Auditors;
- (xvii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- (xviii) Discussion with Internal Auditors, any significant findings and follow up thereon;
- (xix) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (xx) Discussion with Statutory Auditors including Cost Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- (xxi) To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
- (xxii) To review the functioning of the Whistle Blower Mechanism, if applicable;
- (xxiii) Approval of appointment of CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (xxiv) Carrying out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company;
- (xxv) To review the following information:
 - (a) The management discussion and analysis of financial condition and results of operations;
 - (b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - (c) Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
 - (d) Internal audit reports relating to internal control weaknesses; and
 - (e) The appointment, removal and terms of remuneration of Internal Auditors.
- (xxvi) Reviewing the financial statements and in particular the investments made by the unlisted subsidiaries of the Company.



The terms of reference of the Nomination and Remuneration Committee are as under:

- (i) To identify persons who are qualified to become directors in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal;
- (ii) To identify persons who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal;
- (iii) To carry out evaluation of every director's performance;
- (iv) To establish criteria and processes for and assist the Board and each of its Committees in their performance evaluations;
- (v) To establish, review and monitor the questionnaire method for performance evaluation
- (vi) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- (vii) To recommend / review remuneration of the Managing Director(s) and Whole-time Director(s), if any, based on their performance and defined assessment criteria.
- (viii) To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme, if any, including:
 - (a) the quantum of options to be granted under Employees' Stock Option Scheme per employee and in aggregate;
 - (b) the conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
 - (c) the exercise period within which the employee should exercise the option and that the option would lapse on failure to exercise the option within the exercise period;
 - (d) the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
 - (e) the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
 - (f) the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others;
 - (g) the granting, vesting and exercising of options in case of employees who are on long leave; and the procedure for cashless exercise of options.



- (ix) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- (x) To perform such other functions as may be necessary or appropriate for the performance of its duties.
- (xi) The Committee shall, while formulating the policy as per clause (v) above ensure that:
 - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.



The terms of reference of the Corporate Social Responsibility Committee are as under:

- (i) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company (as specified in schedule VII of the Companies Act, 2013);
- (ii) To review and recommend the amount of expenditure to be incurred on the activities referred in schedule VII of the Companies Act, 2013;
- (iii) To monitor the Corporate Social Responsibility Policy of the company from time to time; and
- (iv) Other matter as the CSR committee may deem appropriate after obtaining approval of the Board or as may be directed by the Board from time to time.



FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Model Economic Township Limited

U70109HR2006PLC036416

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Model Economic Township Limited** (hereinafter called "**the Company**"). The 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 for the financial year ended on March 31st, 2024 ("**Audit Period**"). The company is a wholly-owned subsidiary of Reliance Ventures Limited and is engaged in the development of Model Economic Township in Jhajjar district of Haryana with an objective to make this industrially backward district as the business destination of North India.

Limitation of the Auditors

- (i) 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, complied with the statutory provisions listed hereunder; and
- (ii) Based on the management representation, confirmation and explanation wherever required by us, the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

Auditors Responsibility

- (i) Our responsibility is to express the opinion on the compliance with the applicable laws and maintenance of records based on audit. We conducted our audit in accordance with the Guidance Note on Secretarial Audit ("**Guidance Note**") and Auditing Standards issued by the Institute of

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CORPORATE OFFICE

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Company Secretaries of India ("ICSI"). The Guidance Note and Auditing Standards require that we comply with statutory and regulatory requirements and also that we plan and perform the audit so as to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

- (ii) Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.
- (iii) Our audit involves performing procedures to obtain audit evidence about the adequacy of compliance mechanism exist in the Company to assess any material weakness and testing and evaluating the design and operating effectiveness of compliance mechanism based upon the assessed risk. The procedures selected depend upon the auditor's judgement, including assessment of the risk of material non-compliance whether due to error or fraud.
- (iv) 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 Board processes and compliance mechanism.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period, 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; **(Not Applicable)**
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment; **(Not Applicable)**
- (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; **(Not Applicable)**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable)**
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable)**
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable)**





- e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable)**
- 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, 2021; **(Not Applicable)**
- h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not Applicable)** and
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'). **(Not Applicable)**

It is further reported that with respect to the compliance of other applicable laws, we have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances under general laws (including Labour Laws, Tax Laws, etc.) and as informed to us, there are no laws which are specifically applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the ICSI wherein the Company is generally complying with the standards; and
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s) and Listing Regulations **(Not Applicable)**

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

We further report that:

- (i) The Board of Directors of the Company was duly constituted with proper balance of Executive Director(s), Non-Executive Directors and Independent Directors during the Audit Period. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act and the changes that took place in the composition during the period under review are as herein mentioned:

- a. Mr. Basant Kumar Parasramkawas regularized as an Independent Director of the Company at the Annual General Meeting held on May 26, 2023, who was earlier appointed as an Additional Director on October 07, 2022.
 - b. Mr. Sudhir Kumar Jain, Chief Financial Officer of the Company was appointed as an Additional Director designated as Whole Time Director of the Company with effect from September 07, 2023, who was thereafter regularized by the Shareholders in the Extra-Ordinary Meeting held on March 06, 2024.
 - c. Ms. Mohana Venkatachalam, being a woman director, resigned as such with effect from September 20, 2023, and in her place, the Board of Director appointed Ms. Ritu Bhojak as an Additional Director of the Company with effect from October 11, 2023, who was then regularized by the Shareholders in the Extra-Ordinary General Meeting held on March 06, 2024.
- (ii) Further, the composition of all statutory committee(s) was also in compliance with the Act and applicable Rules and Regulations.
- (iii) Adequate notice was given to all directors to schedule the Board Meetings, Statutory Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except few Board Meetings and Committee Meetings which were held on shorter notice 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.
- (iv) The majority of decisions were carried through and there were no instances where any director expressed any dissenting views.

We further report that in our opinion, the Company has, in all material respects, adequate systems and processes 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 the following events or actions having major bearing on the Company's affairs:

- (i) The Company purchased the entire stake of Reliance Innovative Business Solutions Private Limited from its holding company, Reliance Strategic Business Ventures Limited, for a consideration not exceeding Rs. 605 Lakh and consequently, Reliance Innovative Business

Attest

Page 4 of 6



Solutions Private Limited became a wholly owned subsidiary of the Company w.e.f October 31, 2023.

- (ii) The Company in its board meeting held on January 10, 2024 approved the scheme of amalgamation Reliance Innovative Building Solutions Private Limited, Wholly Owned Subsidiary ("Amalgamating Company") with Model Economic Township Limited (" Amalgamated Company") and their respective Shareholders and Creditors, under Section 233 and other applicable provisions of the Companies Act, 2013, and thereafter, the said scheme was approved by the shareholders in its general meeting held on March 07, 2024. As informed to us, the Scheme of amalgamation is sub-judice before the authority.

**For PI & Associates,
Company Secretaries**



Ajay Khandelwal

Partner

FCS No.: F12387

CP No.: 18606

Peer Review No.: 1498/2021

Date: April 11, 2024

Place: Delhi

UDIN: F012387F000093261

Disclaimer

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.



To,
The Members,
MODEL ECONOMIC TOWNSHIP LIMITED

Our Secretarial Audit Report of even date is to be read along with this letter:

- (i) Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
- (ii) 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 sampling 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.
- (iii) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (iv) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
- (v) The compliance of the provisions of corporate and other sector specific laws as applicable on the Company, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on sampling basis.
- (vi) The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For PI & Associates,
Company Secretaries



Ajay Khandelwal

Partner

FCS No.: F12387

CP No.: 18606

Peer Review No.: 1498/2021

Date: April 11, 2024

Place: Delhi

UDIN: F012387F000093261



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 arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:
 - (a) Name(s) of the related party and nature of relationship
 - (b) Nature of contracts/arrangements/transactions
 - (c) Duration of the contracts/arrangements/transactions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 - (e) Justification for entering into such contracts or arrangements or transactions
 - (f) Date of approval by the Board
 - (g) Amount paid as advances, if any
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

- Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis

Name of the Related Party and Nature of Relationship	Nature of contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements/ transactions including the value, if any	Date of Approval of the Board, if any	Amount paid as advances, if any
Reliance Bio Energy Limited – Fellow Subsidiary	Lease Rent Received	1 43 15 624	13.03.2023	-
Reliance Projects & Property Management Services Limited – Fellow Subsidiary	Lease Rent Received	2 80 12 403	13.03.3023	-
	Other Operating Income	6 02 530	13.03.3023	
	Other expenses	67 660	13.03.3023	
Jio Things Limited	Other expenses	69 877	10.04.2023	
Jio BP Mobility	Lease rent received	13 97 392	10.04.2023	



Reliance Industries Limited – Ultimate Holding Company	Other Operating Income	20 30 173	10.04.2023	-
	Lease rent received	2 46 831	10.04.2023	
Reliance Corporate IT Park Limited – Fellow Subsidiary	Interest on loan	7 33 11 02 751	10.04.2023	-
	Unsecured loan received	1150 00 00 000	10.04.2023	
	Unsecured loan repaid	1189 99 63 000	10.04.2023	
Reliance Industries Limited – Ultimate Holding Company	Land Development expenses	2 48 31 032	10.04.2023	-
Reliance Jio Infocomm Limited – Fellow Subsidiary	Mobile phones and Lease line services	65 84 569	10.04.2023	
Reliance Retail Limited – Fellow Subsidiary	Purchase of Misc Items	62 71 985	10.04.2023	
Shrivallabh Goyal - KMP	Payment to KMP	3 12 79 997	-	
Shrivallabh Goyal - KMP	Sale of Land	1 93 64 297	11.10.2023	-
Sudhir Jain - KMP	Payment to KMP	1 12 22 335	-	
Ankita Bajaj	Payment to KMP	58 333	-	
IndoSpace Logistics Park Farrukhnagar P Limited - Associate	Business Support Services	33 82 875	10.04.2023	
IndoSpace Logistics Park Farrukhnagar P Limited - Associate	Other Operating Income	26 92 500	10.04.2023	
	Subscription to non-convertible	4 68 00 000	10.04.2023	



	debentures			
Reliance Innovative Building Solutions Private Limited - Subsidiary	Investment in Subsidiary	4 99 50 000	28.12.2023	
Reliance Strategic Business Ventures Limited – Fellow Subsidiary	Purchase of Shares	6 01 65 374	11.10.2023	
Reliance Industries Limited – Ultimate Holding Company	Corporate Guarantee Received	62 50 31 969	10.04.2023	-



Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2023-24**1. Brief outline on CSR Policy of the Company:**

The Company has framed the Corporate Social Responsibility (CSR) Policy in terms of the provisions of Section 135(1) of the Companies Act, 2013.

The Company and its management are committed to contribute towards the betterment of the society where we live and work.

2. Composition of CSR Committee:

Name of the Member	Category	Status	No. of Meetings	
			Entitled to attend	Attended
Shri Shanker Adawal	Chairman	Chairman	2	1
Shri Naresh Kumar Jain	Independent Director	Member	2	2
Shri Shrivallabh Goyal	Whole Time Director	Member	2	2

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company.

<https://www.modeleconomictownship.com/csr.html>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

As the Company does not have average CSR obligation of 10 Crore rupees or more in the three immediately preceding financial year, this is not applicable.

5. (a) average net profit of the company as per sub-section (5) of section 135.

Rs. 5 464 Lakh

(b) Two percent of average net profit of the company as per sub-section (5) of section 135.-

Rs. 110 Lakh

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.

Nil

(d) Amount required to be set-off for the financial year, if any. –

Nil

(e) Total CSR obligation for the financial year –

Rs. 110 Lakh

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)

Rs. 129 Lakh

(b) Amount spent in Administrative Overheads-

Nil



(c) **Amount spent on Impact Assessment, if applicable –**

Not Applicable

(d) **Total amount spent for the Financial Year**

Rs. 129 Lakh

CSR amount spent or unspent for the Financial Year –

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred Unspent CSR Account as subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
129 Lakh	NIL				

(f) **Excess amount for set-off, if any:**

S. N.	Particular	Amount (Rs/Lakh)
i.	Two percent of average net profit of the company as per section 135(5)	110
ii.	Total amount spent for the Financial Year	129
iii.	Excess amount spent for the financial year [(ii)-(i)]	19
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	19

7. Details of Unspent CSR amount for the preceding three financial years: NIL

1.	2.	3.	4.	5.	6.	7.	8.
Sl. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any.	Amount remaining to be spent in succeeding financial years (in Rs.)	Deficiency, if any
					Amount (in Rs.) Date of transfer		
NIL							



8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

1.	2.	3.	4.	5.	6.
Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner
NIL					

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)- N/A


Chief Executive Officer


Chairman CSR Committee



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF Model Economic Township Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Model Economic Township Limited** ("the Company"), which comprise the balance sheet as at 31st March 2024, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information hereinafter referred to as "financial statements".

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by Companies Act, 2013 ("the 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 31st March 2024, its loss including other comprehensive income, 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 Standards 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 opinion on the financial statements.

Information Other than the Financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual 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 identified above 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 communicate the matter to those charged with governance. We have nothing to report in this regard.



Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 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.

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 scepticism throughout the audit. We also:

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

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 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 Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (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 or provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to 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 as at 31st March, 2024 on its financial position in its financial statements. Refer Note 31 to the financial statements.
 - (ii) The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



- (iv) (a) Management has represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the financial statements no funds 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 persons or entities, including foreign entities ("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) Management has represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the financial statements no funds have been received by the Company from any person(s) or entity(ies), 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;
- (c) Based on our audit procedure performed that were considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contain any material misstatement.
- (V) The Company has not declared or paid any dividend during the year, accordingly reporting under this clause is not applicable to the Company.
- (VI) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording trail facility and the same has been operated throughout during the year for all relevant transactions recorded in the software. Further, during the course of the audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

Other Matter

We draw our attention to the Note 36 to the financial statements, regarding the Scheme of Amalgamation of Reliance Innovative Building Solutions Private Limited ("**Amalgamating Company**" or "**RIBS**") with the Company and their respective shareholders and creditors ("**Scheme**") under Section 233 and other applicable provisions of the Companies Act, 2013. The Appointed Date for the Scheme is 1st January, 2024. Pending necessary confirmation of the Scheme by Regional Director, no effects have been given in the financial statements. Our opinion is not modified in respect of the above matter.

For **CHATURVEDI & SHAH LLP**
Chartered Accountants
Firm Reg. No. 101720W / W100355



Anuj Bhatia
Partner
Membership No. 122179
UDIN No.: 24122179BKFBFO7517



Place: Gurugram
Dated: 11th April, 2024

ANNEXURE A" TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of **MODEL ECONOMIC TOWNSHIP LIMITED** on the financial statements for the year ended 31st March, 2024)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **MODEL ECONOMIC TOWNSHIP LIMITED** ("the Company") as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to 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 with reference to 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.



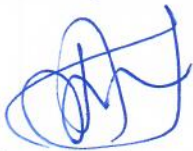
Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2024 based on the internal control criteria over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **CHATURVEDI & SHAH LLP**
Chartered Accountants
Firm Reg. No. 101720W / W100355



Anuj Bhatia
Partner

Membership No. 122179
UDIN No.: 24122179BKFBFO7517



Place: Gurugram
Dated: 11th April, 2024

ANNEXURE B" TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of MODEL ECONOMIC TOWNSHIP LIMITED on the financial statements for the year ended 31st March, 2024)

- i. In respect of its Property, Plant and Equipment and Intangible Assets:
- a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets on the basis of available information.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets on the basis of available information.
- b. As explained to us, the Company has a regular programme for physical verification in a phased periodic manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification as compared with the available records.
- c. According to the information and explanations given by the management, the Company does not hold any immovable properties as Property, Plant and Equipment except Investment Properties, the title deeds of which are held in the name of the Company.
- d. According to information and explanations given to us and books of account and records examined by us, Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- e. According to information & explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. a) The inventories of the Company consist of the land and projects under development/ construction. The management has conducted physical verification of inventory at reasonable intervals and in our opinion the coverage and procedure of such verification is appropriate. As explained to us and on the basis of the records examined by us, we report that no discrepancies of 10% or more is noticed on such physical verification.
- b) According to information and explanations given to us, the Company has not been sanctioned working capital limits from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii)(b) of the Order are not applicable to the Company.
- iii. In our opinion and according to the information and explanations provided to us, during the year the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties, further the investment made during the year by the Company are not prejudicial to the Company's interest.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 186 of the Act, in respect of making investments during the year.
- v. According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposit within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the provisions of clause 3(v) of the Order are not applicable to the Company.



- vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and the Cost Records and Audit (Telecommunication Industry) Rules 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) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Customs Duty, Cess, Goods and Service Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2024 for a period of more than six months from the date they became payable.
 - b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31st March, 2024.
- viii. According to the information and explanations given to us and representation given to us by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix.
- a) In our opinion and according to the information and explanations given and books of account and records examined by us, the Company has not defaulted in repayment of dues or in the payment of interest thereon to any lender. The Company does not have any borrowings from financial institutions and Government.
 - b) In our opinion, and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - c) In our opinion, and according to the information and explanations given and other records produced before us, the money raised by way of term loans have been applied, *prima facie*, for the purpose for which they were obtained
 - d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that, *prima facie*, no funds raised on short-term basis have been used during the year for long-term purposes by the Company.
 - e) According to the information and explanations given to us and based on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary and associate. Company does not have any joint ventures.
 - f) According to information and explanation given to us, the Company has not raised any loans during the year on the pledge of securities held in subsidiary and associate. Company does not have any joint ventures.
- x.
- a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and hence clause 3 (x)(a) of the Order is not applicable to the Company.
 - b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence clause 3 (x) (b) of the Order is not applicable to the Company.



- xi. a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by 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. In our opinion, Company is not a nidhi company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- xiv. a) In our opinion, and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the Company issued till date, for the year under audit.
- xv. According to the information and explanations provided by the management, the Company has not entered into any non-cash transaction with directors or persons connected with him as referred to in Section 192 of the Act.
- xvi. a) To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act, 1934.
- c) In our opinion, and according to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) In our opinion, and according to the information and explanations provided to us, the Group does not have any Core Investment Company (CIC).
- xvii. In our opinion, and according to the information and explanations provided to us, Company has incurred cash losses of Rs. 5678 Lakh in the current financial year and has not incurred any cash losses in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Therefore, provisions of clause 3 (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization 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 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. With respect to CSR contribution under section 135 of the Act:
- According to the information and explanations given to us and on the basis of our audit procedures, the Company has fully spent the required amount towards CSR and there is no unspent amount for the year that were required to be transferred to a Fund specified in Schedule VII in compliance with second proviso to sub-section (5) of section 135 of the Act.
 - According to the information and explanations given to us, the Company does not have any ongoing projects and hence clause 3 (xx) (b) of the Order is not applicable to the Company.

For CHATURVEDI & SHAH LLP
Chartered Accountants
Firm Reg. No. 101720W / W100355



Anuj Bhatia
Partner
Membership No. 122179
UDIN No.: 24122179BKFBFO7517



Place: Gurugram
Dated: 11th April, 2024

MODEL ECONOMIC TOWNSHIP LIMITED
BALANCE SHEET AS AT 31ST MARCH 2024

	Notes	As at 31st March 2024 (Rs in Lakh)	As at 31st March 2023 (Rs in Lakh)
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	1 874	1 969
Capital Work in Progress	1	858	6 906
Intangible assets (Rs. 9 298)	1	0	1
Investment Property	2	11 651	647
Financial Assets			
Investments	3	4 497	2 928
Other Financial Assets	4	2 479	2 607
Other Non Current Assets	5	209	563
Total Non -Current assets		21 568	15 621
Current assets			
Inventories	6	7 32 993	7 30 186
Financial Assets			
Investments	7	-	78
Trade Receivables	8	867	259
Cash and cash equivalents	9	64 184	14 616
Other Financial Assets	10	1 550	122
Current Tax Assets (Net)	11	1 785	1 325
Other Current Assets	12	2 470	1 123
Total Current assets		8 03 849	7 47 709
TOTAL ASSETS		8 25 417	7 63 330
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	9 700	9 700
Other Equity	14	8 355	14 368
Total Equity		18 055	24 068
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	15	6 27 200	6 31 200
Lease Liabilities		826	918
Other Financial Liabilities	16	915	735
Provisions	17	7 561	6 104
Deferred Tax Liabilities (Net)	18	1 481	1 626
Total Non-Current Liabilities		6 37 983	6 40 583
Current Liabilities			
Financial Liabilities			
Lease Liabilities		92	71
Trade payables	19	1 062	387
Micro and Small enterprises		4 714	2 503
Other than Micro and Small enterprises		1 822	1 133
Other Financial Liabilities	20	1 60 681	93 713
Other Current Liabilities	21	1 008	872
Provisions	22	1 69 379	98 679
Total Current Liabilities		8 07 362	7 39 262
Total Liabilities		8 25 417	7 63 330
Total Equity and Liabilities			
Material Accounting Policies			
See accompanying Notes to the Financial Statements			

A-C
1 to 46

As per our Report on even date

For Chaturvedi & Shah LLP

Chartered Accountants

Regn No. 101720W / W 100355

Anuj Bhatia

Partner

Membership No. - 122179

Place: Gurugram

Date: 11-April-2024



For and on behalf of the Board

Shrivallabh Goyal
(Whole Time Director)
DIN- 00021471

Sudhir Kumar Jain
(Whole Time Director & CFO)
DIN- 05205213

Place : Gurugram
Date: 11-April-2024

Shanker Adawal
(Director)
DIN- 01039400

Ankita Bajaj
(Company Secretary)
Membership No : 72925



MODEL ECONOMIC TOWNSHIP LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2024

	Notes	2023-24 (Rs in Lakh)	2022-23 (Rs in Lakh)
Income			
Revenue from Operations			
Other Income	23	1 05 940	60 680
Total Income	24	<u>2 984</u>	<u>940</u>
		<u>1 08 924</u>	<u>61 620</u>
Expenses			
Changes in Inventories			
Employee Benefits Expense	25	(7 613)	5 270
Finance Cost	26	1 976	1 721
Depreciation and Amortization Expense	27	74 227	18 675
Other Expenses	1	469	274
Total Expenses	28	<u>46 012</u>	<u>30 004</u>
		<u>1 15 071</u>	<u>55 944</u>
Profit/(Loss) before tax		<u>(6 147)</u>	<u>5 676</u>
Tax expense			
(1) Current Tax		-	-
(2) Deferred Tax Expense/(Credit)		(142)	(28)
		<u>(142)</u>	<u>(28)</u>
Profit/(Loss) for the year		<u>(6 005)</u>	<u>5 704</u>
Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plan (Loss)/Gain		(10)	(8)
Income tax relating to items that will not be reclassified to profit or loss		3	2
(b) Items that will be reclassified to profit or loss			
Income tax relating to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income/(Expense) for the year		<u>(6 012)</u>	<u>5 698</u>
Earning per equity share of face value of Rs 10 each	29	(Rs.)	(Rs.)
(1) Basic		(6.19)	5.88
(2) Diluted		(6.19)	0.12
Material Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 46		

As per our Report on even date
For Chaturvedi & Shah LLP
Chartered Accountants
Regn No. 101720W / W100355

Anuj Bhatia
Partner
Membership No. - 122179

Place: Gurugram
Date: 11-April-2024

For and on behalf of the Board

Shrivalabh Goyal
(Whole Time Director)
DIN- 00021471

Sudhir Kumar Jain
(Whole Time Director & CFO)
DIN- 05205213

Place : Gurugram
Date: 11-April-2024

Shanker Adawal
(Director)
DIN- 01039400

Ankita Bajaj
(Company Secretary)
Membership No : 72925



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED AS ON 31ST MARCH 2024

A. Equity Share Capital

	As at 31st March 2024		As at 31st March 2023	
	Numbers	(Rs in Lakh)	Numbers	(Rs in Lakh)
Equity Shares at the Beginning of the year	9 70 00 000	9 700	9 70 00 000	9 700
Add: Shares Issued during the year	-	-	-	-
Equity Shares at the end of the year	9 70 00 000	9 700	9 70 00 000	9 700

B. Other Equity

	Reserve and Surplus				(Rs in Lakh)
	Instruments classified as equity	Capital Reserve	Retained Earning	Other Comprehensive Income	Total
Year ended 31st March, 2023					
Balance at the beginning of the year	6 27 592	5 818	2 907	(56)	6 36 261
Less: Redemption during the year	(6 27 592)	-	-	-	(6 27 592)
Total Comprehensive Income for the year	-	-	5 704	(6)	5 698
Balance as at 31st March, 2023	-	5 818	8 611	(62)	14 368
Year ended 31st March, 2024					
Balance at the beginning of the year	-	5 818	8 611	(62)	14 367
Total Comprehensive Income for the year	-	-	(6 005)	(7)	(6 012)
Balance as at 31st March, 2024	-	5 818	2 606	(69)	8 355

As per our Report on even date
For Chaturvedi & Shah LLP
Chartered Accountants
Regn No. 101720W / W100355

Anuj Bhatia
Partner
Membership No. - 122179

Place: Gurugram
Date: 11-April-2024

For and on behalf of the Board

Shrivallabh Goyal
(Whole Time Director)
DIN- 00021471

Sudhir Kumar Jain
(Whole Time Director & CFO)
DIN- 05205213

Place : Gurugram
Date: 11-April-2024

Shanker Adawal
(Director)
DIN- 01039400

Ankita Bajaj
(Company Secretary)
Membership No : 72925



MODEL ECONOMIC TOWNSHIP LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

	2023-24 (Rs in Lakh)	2022-23 (Rs in Lakh)
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net (Loss)/Profit before Tax as per Statement of Profit and Loss	(6 147)	5 676
Adjusted for:		
Net Realized Gain on Financial Assets	(19)	(63)
(Profit)/Loss on Sale/ Discard of Property, Plant and Equipment	1	(2)
Depreciation and Amortisation	469	274
Unrealized Loss on Financial assets (Rs. 25 549)	0	21
Interest Income - Non Convertible Bonds	(83)	(82)
Interest Income	(2 327)	(161)
Finance Costs	74 227	18 675
Operating Profit before Working Capital Changes	66 121	24 338
Adjusted for:		
Trade and Other Receivables	(1 742)	1 840
Inventories	(6 541)	5 270
Trade and Other Payables	71 510	42 472
Cash Generated From Operations	1 29 348	73 920
Tax Paid (Net)	460	518
Net Cash Flow From Operating Activities (A)	1 28 888	73 402
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant & Equipment and Intangible assets and CWIP	(1 559)	(6 542)
Proceeds from disposal of Property, Plant & Equipment and Intangible Assets	1	4
Proceeds from Fixed Deposits	262	-
Investment in Mutual Funds	(16 949)	(38 273)
Disposal of Investment in Mutual Funds	17 046	42 251
Investments in Bonds of Associates	(468)	-
Investments in Equity Shares of Subsidiary	(1 101)	-
Interest Income	904	40
Net Cash Flow Generating from/(Used in) Investing Activities (B)	(1 864)	(2 520)
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Borrowings- Non Current	1 15 000	6 74 030
Payment of Lease Liabilities	(143)	(138)
Repayment of Borrowings-Non Current	(1 19 000)	(85 274)
Redemption of Zero Coupon Optionally Fully Convertible Debentures	-	(6 27 592)
Interest paid	(73 313)	(17 906)
Net Cash Flow (Used in) Financing Activities (C)	(77 456)	(56 880)
Net (Decrease) / Increase in Cash and Cash Equivalents(A+B+C)	49 568	14 002
Opening Balance of Cash and Cash Equivalents	14 616	614
Closing Balance of Cash and Cash Equivalents	64 184	14 616

Changes in Liability arising from financing activities

Borrowing- Non Current (Refer note 15)
Borrowing- Current

Borrowing- Non Current (Refer note 15)
Borrowing- Current

(Rs in Lakh)			
As on 1st April, 2023	Cash Flow	As on 31st March, 2024	
6 31 200	(4 000)	6 27 200	
6 31 200	(4 000)	6 27 200	
As on 1st April, 2022	Cash Flow	As on 31st March, 2023	
42 444	5 88 756	6 31 200	
42 444	5 88 756	6 31 200	

- Notes :
- (1) The above cash flow statement has been prepared under the "indirect method" as set out in Ind AS-7-Cash Flow Statement
 - (2) Figures in the brackets indicate outflow

As per our Report on even date
For Chaturvedi & Shah LLP
Chartered Accountants
Regn No. 101720W / W100353

Anuj Bhatia
Partner
Membership No. - 122179

Place: Gurugram
Date: 11-April-2024



For and on behalf of the Board

Shrivallabh Goyal
(Whole Time Director)
DIN- 00021471

Sudhir Jain
(Whole Time Director & CFO)
DIN- 05205213

Place : Gurugram
Date: 11-April-2024

Shanker Adawal
(Director)
DIN- 01039400

Ankita Bajaj
(Company Secretary)
Membership No : 72925



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

A. CORPORATE INFORMATION

Model Economic Township Limited is public limited company having its registered office at Third Floor, 77 B, IFFCO Road, Sector 18, Gurugram-122015, Haryana.

Presently, the Company is carrying out development activities in its licensed industrial colonies with sale of industrial, residential, Labour housing and Shop-cum-office plots, for which licenses are obtained and has also continued to consolidate the purchased land as well as to coordinate and obtain various government approvals etc.

B. MATERIAL ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

The Financial Statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

- i) Certain Financial Assets and Liabilities,
- ii) Defined Benefit Plans - Plan Assets,
- iii) Annuity Payment for Future Period to Land Sellers, and
- iv) Lease Rentals Receivable from Customers for future period

The Financial Statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, (as amended from time to time) and Presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time.

The Company's Financial Statements are presented in Indian Rupees, which is also its functional currency and all values are rounded to the nearest Lakh (00,000) except when otherwise indicated.

B.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/Non-Current classification.

An asset is treated as Current when it is:

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

All other assets are classified as non-current

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

(b) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work – in - Progress.

Depreciation on Property, Plant and Equipment is provided using straight line method on depreciable amount. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in case of Property, Plant and Equipment's as described below:

Particulars	Useful life considered for depreciation
Certain Plant and Equipment	5 Years
Certain Electrical Installation	10 years
Certain Office Equipment	10 Years

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of Property, Plant and Equipment are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Leasehold land is amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold land is amortised over the primary lease period of the land.

(c) Investment Property

Properties held for rental or capital appreciation purposes are classified as Investment Properties. Investment Properties are measured initially at cost, including transaction cost. Subsequent to initial recognition, Investment Properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Properties are transferred from Investment Properties to development properties (Inventories) when and only when there is a change in use, evidenced by commencement of development with a view to sell, if they are sold without any further development, or inventorized. Such transfers are made at the carrying value of the properties at date of transfer.

(d) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

For the assets given under finance lease, the lease premium received initially is recognised as income of the Company at the inception of the lease. Annual lease rentals receivable in future are recognised at their present value in the balance sheet as lease rents receivable.

Lease rents received by the Company are apportioned between finance income and reduction of the lease rent receivables so as to achieve a constant rate of interest on the remaining balance of the lease. Finance income is recognised immediately in Statement of Profit and Loss. Contingent rentals are recognised as income in the periods in which they are received.

For the assets given under operating lease, the lease rentals received by the Company, as per the terms of the lease, are recognised by the Company as income in Statement of Profit and Loss.



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

(e) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation and impairment losses, if any. Such cost includes purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the Intangible Assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Intangible Assets Under Development.

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised. The Company's Intangible Assets comprises assets with finite useful lives which are amortized on a straight-line basis over the period of their expected useful lives.

A summary of the amortization policies applied to the Company's Intangible Assets to the extent of depreciable amount is, as follows:

Particular	Amortization
Computer Software	Over a period of 3 to 5 years

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at each reporting date.

(f) Cash and Cash Equivalent

Cash and cash equivalents comprise of cash on hand, cash at bank, short-term deposits and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Finance Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(h) Inventories

Items of Inventories are measured at lower of cost and net realisable value.

Inventory comprises of cost of Industrial Township and other Projects under development (Work-in-progress). Cost of Inventory comprises of cost of land, annuity cost, land development expenses, material, services, construction cost, interest and finance charges and other expenses related to development of projects.

(i) Impairment of Non-Financial Assets, Property, Plant and Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, 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 assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(j) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k) Contingent Liabilities

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

(l) Employee Benefits Expense

Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to- a reduction in future payment or a cash refund.

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days basic salary for every completed year of service as per the payment of Gratuity Act 1972. The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by the respective Income Tax authorities. The liability in respect of gratuity and other post-employment benefits is calculated using



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognized in the period in which they occur in Other Comprehensive Income.

(m) Tax Expenses

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income. In which case, the tax is also recognised in Other Comprehensive Income.

- Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

- Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses, can be utilized. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

(n) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

The agreement for sale or long term lease of land, including development and provision of infrastructure facilities/services, where substantial risk & rewards are conveyed to buyer/lessee, is considered as sale of land. Revenue from such sale of land is recognized on execution of sale/lease deeds, by which substantial risks and rewards are conveyed to buyers/lessee. Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional. Barter transactions are recognised at fair value. Revenue in respect of projects under development/construction is recognized on the "Percentage of Completion method" of accounting, which is the percentage of the actual cost incurred, including the cost of land and its development, to the total estimated cost of the project subject to such actual cost incurred being 25% or more of the total estimated cost. The estimated cost of the project is based on company's estimate of the cost expected to be incurred till the final completion of the project and includes cost of land, annuity costs, construction and development expenses, materials, services, interest and finance charges and other expenses related to development of projects. The estimates of the costs are revised periodically by the Company and effect of such changes in estimates is recognized in the period in which such changes are determined. Any projected losses on agreements executed are recognized in full when identified. Recognition of revenue relating to agreements entered into with the buyers, which are subject to fulfilment of obligations/conditions imposed by the statutory authorities, is postponed till such obligations are discharged. When sale price is realized on deferred payment basis, the difference between fair value of sale price receivable as per normal credit terms and sale price receivable over deferred payment terms will be accounted as interest income over the credit period.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Contract Balances

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest Income

Interest Income from a Financial Assets is recognised using effective interest rate method.

Dividend Income

Dividend Income is recognised when the Company's right to receive the amount has been established.

(o) Financial Instruments

i. Financial Assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting. However, Trade Receivable that do not contain a significant financing component are measured at transaction price.

B. Subsequent Measurement

a) Financial Assets measured at Amortised Cost (AC)

A Financial Asset is 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 to cash flows on specified dates that represent solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI 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 represents solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

C. Investment in Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any).

D. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected Credit Losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

• Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For Trade Receivables, the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii. Financial Liabilities

A. Initial Recognition and Measurement

All Financial Liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent Measurement

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

iii. De-recognition of Financial Instruments

The Company derecognises 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 de-recognition under Ind AS 109. A Financial liability (or a part of a Financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv. Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(p) Earnings per Share

Basic earnings per share is calculated by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share, if any. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

a) Property Plant and Equipment/ Intangible Assets

Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Property, Plant and Equipment / Intangible assets are depreciated/amortized over their estimated useful lives, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortization to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortization for future periods is revised, if there are significant changes from previous estimates.



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b) Recoverability of Trade Receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

c) Provisions

The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) Impairment of Financial and Non-Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

In case of non-financial assets, assessment of impairment indicators involves consideration of future risks/ changes relating to such assets. Further, the company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Recognition of Deferred Tax Assets and Liabilities

Deferred Tax Assets and Liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

1. Property, Plant and Equipment and Intangible Assets

Description	Gross Block				Depreciation / Amortization			Net Block	
	As at	Additions	Deductions / Adjustments	As at	Upto	For the year	Deductions / Adjustments	As at	As at
	1st April 2023	2023-24	2023-24	31st March 2024	1st April 2023	2023-24	31st March 2024	31st March 2024	31st March 2023
Own Assets									
Leasehold improvements	218	-	-	218	16	10	26	192	202
Building	218	-	-	218	168	26	194	24	50
Plant and Equipment	683	46	1	728	78	69	146	582	605
Office Equipments	234	124	24	334	169	61	208	126	66
Furniture & Fixture (Deductions Rs.13064 & Depreciation Rs.12411)	96	26	0	122	33	8	41	81	63
Vehicles	-	7	-	7	-	1	1	6	-
Others (Electrical Installation)	146	-	2	144	41	8	48	96	104
Subtotal	1 595	203	27	1 771	505	183	664	1 107	1 090
Right-of-Use Assets									
Land and Building	1 107	-	-	1 107	227	113	340	767	879
Subtotal	1 107	-	-	1 107	227	113	340	767	879
Total (A)	2 702	203	27	2 878	732	296	1 004	1 874	1 969
Intangible Assets									
Computer Software* (Rs. 9 298)	6	-	-	6	5	1	6	0	1
Total (B)	6	-	-	6	5	1	6	0	1
Total (A+B)	2 708	203	27	2 884	737	297	1 010	1 874	1 970
Previous Year	2 498	230	21	2 707	482	274	737	1 970	2 016
Capital work in Progress	-	-	-	-	-	-	-	858	6 906

* Other than internally generated

1.1 Capital-Work-in Progress (CWIP) aging schedule as at 31st March, 2024

CWIP	Outstanding for following years from			
	< 1 year	1-2 Years	2-3 years	> 3 years
Project in progress	664	194	-	858
Project temporarily suspended	-	-	-	-
Total	664	194	-	858

1.2 Capital-Work-in Progress (CWIP) aging schedule as at 31st March, 2023

CWIP	Outstanding for following years from			
	< 1 year	1-2 Years	2-3 years	> 3 years
Project in progress	6 451	455	-	6 906
Project temporarily suspended	-	-	-	-
Total	6 451	455	-	6 906



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

2. Investment Property

Particulars	Other assets forming part of Building				Total
	Land	Buildings	Plant and Machinery		
Cost					
As at 1 April 2022	233	-	-	-	233
Additions during the year	414	-	-	-	414
Disposal during the year	-	-	-	-	-
As at 31 March 2023	647	-	-	-	647
Additions during the year	4 671	6 089	416	-	11 176
Disposal during the year	-	-	-	-	-
As at 31 March 2024	5 318	6 089	416	-	11 823
Accumulated depreciation and amortisation					
As at 1 April 2022	-	-	-	-	-
Additions during the year	-	-	-	-	-
Disposal during the year	-	-	-	-	-
As at 31 March 2023	-	-	-	-	-
Additions during the year	-	149	23	-	172
Disposal during the year	-	-	-	-	-
As at 31 March 2024	-	149	23	-	172
Carrying amount					
As at 31 March 2024*	5 318	5 940	393	-	11 651
As at 31 March 2023*	647	-	-	-	647

*Refer Note 34



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

	As at 31st March 2024 (Rs in Lakh)	As at 31st March 2023 (Rs in Lakh)
3. Investments - Non-Current		
INVESTMENTS MEASURED AT COST		
In Equity Shares of Associate		
Unquoted, fully paid up		
IndoSpace MET Logistics Park Farukhnagar Private Limited (formerly known as Dadri Toe Warehousing Pvt. Ltd.)		
2,43,43,661 shares @ Face Value Rs 10/- each (previous year 2,43,43,661 shares)	2 434	2 434
Unquoted, fully paid up		
Reliance Innovative Building Solutions Private Limited		
6,96,88,950 shares @ Face Value of Rs 10/- each (previous year Nil shares)	1 101	-
Investment in Non Convertible Bonds at FVTPL		
Unquoted, fully paid up		
IndoSpace MET Logistics Park Farukhnagar Private Limited (formerly known as Dadri Toe Warehousing Pvt. Ltd.)		
96,200 bonds @ Face Value Rs 1000/- each (previous year 49,400 bonds)	962	494
Total	4 497	2 928
4. Other Financial Assets - Non Current		
Recoverable from Prospective Customers	1 988	2 020
Lease Rent Receivable in Future	109	109
Employee Loans Recoverable in Future	3	4
Security Deposits	219	130
Interest Accrued on Non Convertible Bonds	160	82
Bank Deposits with more than 12 months maturity	-	262
Total	2 479	2 607
5. Other Non Current Assets		
Prepaid Expenses	4	8
Balance with GST Authorities	205	470
Capital Advances	-	85
Total	209	563
6. Inventories		
Work- in- Progress	7 32 993	7 30 186
Total	7 32 993	7 30 186
6.1 The Company has consolidated purchased land, undertaken land development activities in its licensed industrial colonies, coordinated and obtained various government approvals etc. The developed land is provided to the end users for various purposes, such as industrial, residential, commercial etc. The Company has been treating the land as inventory in its books of account. The Company either sells the developed land on outright basis or transfer such land on long term lease basis with upfront lease premium which is qualified to be finance lease as per the requirements of Indian Accounting Standard - 17 " Leases". Since the remaining land will take few more years to get ready for its intended use or sale part of the interest pertaining to such land amounting to Rs. 22 005 Lakhs incurred during the year (Previous Year Rs 847 Lakhs) has been considered as part of Inventory.		
The Company has mortgaged 70.78 Acres (Previous Year 70.78 Acres) of land to Director Town and Country Planning, as a security to meet its obligation for completing Infrastructure development works with corresponding book value of 6 221 Lakhs (Previous Year 6 221 Lakhs).		
7. Investments - Current		
INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS		
NIPPON India Low Duration Fund - Direct Growth	-	78
Nil units (previous year 2,332.369 units) - Unquoted	-	78
Aggregate amount of Unquoted Investments	-	78
8. Trade Receivables		
(Unsecured, considered good)		
Trade Receivables	867	259
(a) Trade Receivables considered good - Secured;	-	-
(b) Trade Receivables considered good - Unsecured	-	-
(c) Trade Receivables which have significant increase in Credit Risk	-	-
(d) Trade Receivables - credit impaired	-	-
Total	867	259



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024
8.1 Trade receivable aging schedule as at 31st March, 2024

Particulars	Outstanding for the following periods from due date of payment						(Rs in Lakh)
	Not Due	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	> 3 year	Total
Undisputed Trade receivables – considered good (Rs. 44 190)	-	758	70	35	0	3	867
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	-	758	70	35	0	3	867

8.2 Trade receivable aging schedule as at 31st March, 2023

Particulars	Outstanding for the following periods from due date of payment						(Rs in Lakh)
	Not Due	< 6 months	6 months - 1 year	1-2 year	2-3 year	> 3 year	Total
Undisputed Trade receivables – considered good (Rs. 26815)	52	192	7	3	0	3	259
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	52	192	7	3	0	3	259

9. Cash and Cash Equivalents

(i) Cash on Hand	66	67
(ii) Balances with Banks		
'-in Current Accounts	4 055	741
Total	4 121	808
(iii) 'Other Bank Balance		
'-Balance in current account for compliance (refer note 9.1)	13	8
'-Bank Deposits with more than 3 months maturity (refer note 9.1 & 9.2)	60 050	13 800
	64 184	14 616

9.1 Represents the amount deposited in separate account and fixed deposits, in compliance of the Real Estate (Regulation and Development) Act 2016 read with Haryana Real Estate (Regulation and Development) Rules 2017.

9.2 Cash and cash equivalent includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal

10. Other Financial Assets - Current

Interest Accrued on Bank Deposits	1 545	121
Interest Accrued on Non Convertible Bonds	4	-
Employee Loans Recoverable in Future	1	1
Total	1 550	122

11. Current tax Assets (Net)

Tax Deducted at Source	1 785	1 325
Total	1 785	1 325

12. Other Current Assets

Balance with GST Authorities	183	150
Prepaid Expenses	120	100
Others Advances	2 167	873
Total	2 470	1 123



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

13. Share Capital

	As at 31st March 2024 (Rs in Lakh)	As at 31st March 2023 (Rs in Lakh)
Authorised Share Capital		
50 01 00 000 Equity Shares of Rs 10/- each	50 010	50 010
(Previous year 50 01 00 000 equity shares of Rs 10/- each)		
Issued, Subscribed & Paid up		
9 70 00 000 Equity Shares of Rs 10/- each fully paid up	9 700	9 700
(Previous year 9 70 00 000 Equity Shares of Rs 10/- each fully paid up)		
Total	9 700	9 700

13.1. Reconciliation of numbers of shares outstanding at the beginning of the year and at the end of the year

	As at 31st March 2024	As at 31 March 2023
	Numbers	Numbers
Shares outstanding at the beginning of the year	9 70 00 000	9 70 00 000
Shares outstanding at the end of the year	9 70 00 000	9 70 00 000

a. Details of Shareholding more than 5% shares

	As at 31st March 2024	As at 31 March 2023
	Number of Shares	Number of Shares
Holding Company- Reliance Ventures Limited & its Nominees (Promoter of the Company)	9 70 00 000	9 70 00 000
(Equity Shares of Rs 10 each fully paid)		
Total	9 70 00 000	9 70 00 000

b. Terms/right attached to equity shares

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

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

	As at 31st March 2024 (Rs in Lakh)	As at 31 March 2023 (Rs in Lakh)
14. Other Equity		
Instrument classified as equity		
Zero Coupon Optionally Fully Convertible		
Unsecured Debentures		
As per last Balance Sheet	-	6 27 592
Add: Debentures issued/(Redeemed) during the year	-	(6 27 592)
Closing Balance	<u>-</u>	<u>-</u>
<p>The Company had issued Zero Coupon Optionally fully convertible unsecured Debentures in two tranches. First tranche of 412 59 20 000 in August 2016 to be redeemed on expiry of 15 years with an option for early redemption as well as conversion into equity shares. Second Tranche of 215 00 00 000 debenture was issued which was to be redeemed on expiry of 20 years with an option for early redemption as well as conversion into equity shares. During the previous year the company redeemed both the debentures, first tranche of debenture was redeemed on 20th September 2022 and second tranche was redeemed in two installments i.e, on 15th March 2023 and 17th March 2023.</p>		
Reserves & Surplus		
Capital Reserve (Pursuant to Scheme of Amalgamations)		
As per last Balance Sheet	5 818	5 818
Closing Balance	<u>5 818</u>	<u>5 818</u>
Retained Earning		
As per last Balance Sheet	8 610	2 907
Add: Net (Loss)/Profit for the year	(6 005)	5 703
Closing Balance	<u>2 606</u>	<u>8 610</u>
Other Comprehensive Income (OCI)		
As per last Balance Sheet	(62)	(56)
Add: Movement in OCI (net) during the year	(7)	(6)
Closing Balance	<u>(69)</u>	<u>(62)</u>
Total	<u>8 355</u>	<u>14 367</u>



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

15. Borrowings

Unsecured - At Amortized Cost

Loans from Related Party

From Fellow Subsidiary

Total

6 27 200

6 27 200

6 31 200

6 31 200

15.1 Loans outstanding are repayable on 31st March, 2029 and carrying interest @ 12.5% p.a (previous year 31st March, 2027 and carrying interest @ 12.5% p.a)

16. Other Financial Liabilities - Non Current

Retention Money Payable

Total

915

915

735

735

17. Provisions- Non Current

Annuity

Provision For Leave Encashment

Total

7 507

54

7 561

6 054

50

6 104

18. Deferred Tax Liabilities (Net)

At the start of the year

Charge/(credit) to profit or loss

At the end of the year

1 626

(145)

1 481

1 656

(30)

1 626

19. Trade Payables

Trade Payables

Micro and Small enterprises

Other than Micro and Small enterprises

Total

1 062

4 714

5 776

387

2 503

2 890

19.1 Trade Payable ageing as at 31st March 2024

(Rs in Lakh)

Particulars	Outstanding for the following periods from due date of payment					Total
	Not Due	< 1 year	1-2 year	2-3 year	> 3 year	
MSME	1 062	-	-	-	-	1 062
Others	4 566	148	-	-	-	4 714
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
Total	5 628	148	-	-	-	5 776

19.2 Trade Payable ageing as at 31st March 2023

(Rs in Lakh)

Particulars	Outstanding for the following periods from due date of payment					Total
	Not Due	< 1 year	1-2 year	2-3 year	> 3 year	
MSME	387	-	-	-	-	387
Others	2 503	-	-	-	-	2 503
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
Total	2 890	-	-	-	-	2 890

20. Other Financial Liabilities - Current

Retention Money Payable

Security Deposits received from Customers

Total

929

893

1 822

870

263

1 133

21. Other Current Liabilities

Advance received from Customers

Contract liabilities:

Billing in excess of revenue recognised

Advances from customers

Annuity

Other Liabilities*

Total

28 994

1 25 815

3 611

2 261

1 60 681

20 262

68 210

3 317

1 924

93 713

* Includes capital creditors, statutory dues and employees benefits

22. Provisions - Current

(a) Provision for Employees Benefits

Leave Encashment

Superannuation Rs. 10 833 (Previous year Rs. 10 833)

(b) Others

Annuity

Total

36

0

972

1 008

33

0

839

872



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

	2023-24 (Rs in Lakh)		2022-23 (Rs in Lakh)
23. Revenue From Operations			
Sale of Land			
- Undeveloped	33 665		291
- Developed	68 127		59 342
- Compensation for Compulsorily Acquisition	779	1 02 571	157
			59 790
Lease Rent	1 066		80
Less: GST Recovered	163	903	12
			68
Other Operating Income			
Common Area Maintenance Service Charges	556		445
Less: GST Recovered	85	471	68
			377
Transfer Charges	631		251
Less: GST Recovered	96	535	38
			213
Water Supply and Treatment Charges	109		61
Less: GST Recovered	3	106	2
			59
Extension Charges	175		31
Less: GST Recovered	27	148	5
			26
Local Support Services	1 423		173
Less: GST Recovered	217	1 206	26
			147
Total		1 05 940	60 680
24. Other Income			
Interest Income			
- On Fixed Deposit with scheduled bank	2 327		161
- Others	321	2 648	481
			642
Finance Income against Lease Rental		14	75
Interest Income on Non Convertible Bonds		83	82
Profit on Sale of Property, Plant & Equipment (Net)		-	2
- Realized Gain		19	63
- Unrealized (Loss) / Gain (Rs. 25 549)		(0)	(21)
Miscellaneous Income		220	97
Total		2 984	940
25. Changes in Inventories			
Projects under Development (Work-in-Progress at close)		7 32 994	7 30 186
Projects under Development (Work-in-Progress at commencement)	7 30 186		7 35 870
Add: Transfer From CWIP	939		-
Less: Transfer to Development Cost (Trunk Infra cost)	1 073		-
Less: Transfer to Investment Property	4 671	7 25 381	414
			7 35 456
Total Change in Inventories		(7 613)	5 270
26. Employee Benefits Expense			
Salaries and wages		1 812	1 541
Contribution to Provident and other Fund		92	82
Staff welfare expenses		72	98
Total		1 976	1 721
27. Finance Cost			
Interest Expenses		74 155	18 598
Interest on Lease Liabilities		72	77
Total		74 227	18 675



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

	2023-24 (Rs in Lakh)	2022-23 (Rs in Lakh)
28. Other Expenses		
Land	12 433	4 592
Land Development	23 845	18 758
Annuity Expenses	3 327	2 830
Salaries & Wages - Contractors	528	455
Rent	99	74
Rates & Taxes	6	4
Insurance	109	82
Telephone Expenses	75	10
Travelling & Local Conveyance	176	123
Power & Fuel	145	113
Repair & Maintenance		
- Plant and Machinery	12	16
- Buildings	35	38
- Others	47	18
Professional & Consultancy Fees	608	524
Security Expenses	384	303
Brokerage and Commission	2 841	1 229
Social Programme Expenses	37	51
CSR Expense (Refer note 42)	129	67
Payment to Auditors (Refer note 28.1)	53	41
Director Sitting Fees	14	8
Loss on Sale of Property, Plant & Equipment	1	-
General Expenses	1 108	668
Total	46 012	30 004
28.1. Payment to Auditors		
Fees as Auditors	39	28
Fees for other Services	1	1
Tax Audit Fees	12	11
Cost Audit Fees	1	1
Total	53	41
29. Earning per share (EPS)		
Net (Loss)/Profit after tax as per Statement of Profit and Loss (Rs in lakhs)	(6 005)	5 703
Weighted Average number of equity shares used as denominator for calculating EPS	9 70 00 000	9 70 00 000
Weighted Average number of equity shares used as denominator for calculating Diluted EPS	-	474 61 28 767
Basic Earning per share (Rs.)	(6.19)	5.88
Diluted Earning per share (Rs.)	(6.19)	0.12
Face Value per equity share (Rs.)	10	10



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

30 As per Indian Accounting Standard 24- "Related Party Disclosures", the disclosures of transactions with the related parties are given below:

i) List of Related Parties and Relationships:

S. No.	Name of the Related Party	Relationship
1	Reliance Ventures Limited (RVL)	Holding Company
2	Reliance Industries Limited	Holding Company of RVL
3	Reliance Jio Infocomm Limited	Fellow Subsidiary of Holding Company
4	Jio Things Limited	Fellow Subsidiary of Holding Company
5	Reliance Retail Limited	Fellow Subsidiary of Holding Company
6	Reliance 4IR Realty Development Limited	Fellow Subsidiary of Holding Company
7	Reliance Services and Holdings Limited (formerly Reliance World Trade Private Limited)	Fellow Subsidiary of Holding Company
8	Reliance BP Mobility Limited	Fellow Subsidiary of Holding Company
9	Reliance Corporate IT Park Limited	Fellow Subsidiary of Holding Company
10	Reliance Bio Energy Limited	Fellow Subsidiary of Holding Company
11	Reliance Projects & Property Management Services Limited	Fellow Subsidiary of Holding Company
12	Reliance Strategic Business Ventures Limited	Fellow Subsidiary of Holding Company
13	Reliance Innovative Building Solutions Private Limited	Fellow Subsidiary of Holding Company
14	IndoSpace MET Logistics Park Farukhnagar Private Limited	Subsidiary Company
15	Shri Shrivallabh Goyal, Whole Time Director	Associate Company
16	Shri Sudhir Jain, Whole Time Director and Chief Financial Officer	Key Managerial Personnel
17	Shri Pankaj Kumar, Company Secretary (wef 8th October 2021 to 30 April 2022)	
18	Shri Akash Gupta, Company Secretary (wef 7th October 2022 to 15 December 2022)	
19	Ms Anikta Bajaj, Company Secretary (wef 1st March 2024)	

ii) Transactions and closing balance during the year with the Related Parties:

(a) Transactions during the year 2023-24

(Rs. in Lakhs)						
S. No.	Nature of Transaction	Holding Company of RVL	Subsidiary Company	Associate Company	Fellow Subsidiaries of Holding Company	Key Managerial Personnel
1	Unsecured Loans Received	-	-	-	1 15 000	-
2	Unsecured Loans Repaid	-	-	-	6 74 030	-
3	Interest on unsecured loan	-	-	-	1 19 000	-
4	Lease Rent Received	2	-	-	85 274	-
5	Sale of Land	3	-	-	73 311	-
6	Payment to Key Managerial Personnel	-	-	-	17 906	-
7	Corporate Guarantee received (net)	6 250	-	-	437	194
8	Fixed Assets Purchased/(Sale)/(Net)	5 185	-	-	13	-
9	Other Expenses	249	-	-	-	426
10	Investment in Shares	78	500	-	-	399
11	Purchase of Shares	-	-	-	-	-
12	Issue/(Redemption) of Zero Coupon optionally Fully Convertible Debentures	-	-	-	601	-
13	Subscription to Non-convertible Bonds	-	-	-	(6 27 592)	-
14	Income from Support Services	-	-	468	-	-
15	Income from Common Area Maintenance Service Charges	20	-	34	-	-
16	Finance Income against lease rental	13	-	147	-	-
		2	-	40	6	-
		1	-	-	-	-

Note: Figures in italics represent that of previous year.



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

(b) Balances as at 31st March 2024

(Rs. in Lakhs)						
S. No.	Nature of Transaction	Holding Company of RVL	Subsidiary Company	Fellow Subsidiaries of Holding Company	Associate Company	Key Managerial Personnel
1	Unsecured Loans	-	-	6 27 200	-	-
2	Lesae Rent Received	-	-	6 31 200	-	-
2	Corporate Guarantee received	23 347	-	437	-	-
3	Investment in Shares	17 097	500	-	2 434	-
4	Purchase of Shares	-	-	601	2 434	-
5	Subscription to Non-convertible Bonds	-	-	-	962	-
6	Income from Common Area Maintenance Service Charges	15	-	-	494	-
7	Income from Support Services	16	-	-	9	-
		-	-	-	48	-
		-	-	-	13	-

Note: Figures in italics represent that of previous year.

Disclosure in Respect of Material Related Party Transactions during the year:

(Rs. in Lakhs)				
S.No.	Particulars	Relationship	2023-24	2022-23
1	Unsecured Loans Received Reliance Corporate IT Park Limited	Fellow Subsidiary	1 15 000	6 74 030
2	Unsecured Loans Repaid Reliance 4IR Realty Development Limited Reliance Corporate IT Park Limited	Fellow Subsidiary Fellow Subsidiary	- 1 19 000	42 444 42 830
3	Interest on unsecured loan Reliance 4IR Realty Development Limited Reliance Corporate IT Park Limited	Fellow Subsidiary Fellow Subsidiary	- 73 311	1 126 16,780
4	Lease Rent Received Reliance BP Mobility Limited Reliance Bio Energy Limited Reliance Projects & Property Management Services Limited Reliance Industries Limited	Fellow Subsidiary Fellow Subsidiary Fellow Subsidiary Holding Company of RVL	14 143 280 2	13 - - 3
5	Sale of Land Shri Shrivallabh Goyal	Key Managerial Personnel	194	-
6	Payment to Key Managerial Personnel Shri Shrivallabh Goyal Shri Sudhir Jain Shri Pankaj Kumar (wef 8th October 2021 to 30 April 2022) Shri Akash Gupta (wef 7th October 2022 to 15 March 2023) Ms Ankita Bajaj (wef 1st March 2024)	Key Managerial Personnel Key Managerial Personnel Key Managerial Personnel Key Managerial Personnel Key Managerial Personnel	313 112 - - 1	281 114 1 3 -
7	Corporate Guarantee utilized for issue of bank guarantee of the Company (net) Reliance Industries Limited	Holding Company of RVL	6 250	5 185
8	Investment in Shares Reliance Innovative Building Solutions Private Limited	Subsidiary	500	-
9	Purchase of Shares Reliance Strategic Business Ventures Limited	Fellow Subsidiary	601	-
10	Fixed Assets Purchased Reliance Retail Limited	Fellow Subsidiary	-	8
11	Other Expenses Reliance Jio Infocomm Limited Jio Things Limited Reliance Retail Limited Reliance Industries Limited	Fellow Subsidiary Fellow Subsidiary Fellow Subsidiary Holding Company of RVL	66 1 63 249	6 1 2 78
12	Income from Support Services IndoSpace MET Logistics Park Farukhnagar Private Limited	Associate	34	147
13	Income from Common Area Maintenance Service Charges Reliance Industries Limited Reliance Projects & Property Management Services Limited IndoSpace MET Logistics Park Farukhnagar Private Limited	Holding Company of RVL Fellow Subsidiary Associate	20 6 27	13 - 40
14	Finance Income against lease rental Reliance Industries Limited	Holding Company of RVL	2	1
15	Redemption of Debentures (ZOFCD) Reliance 4IR Realty Development Limited Reliance Services and Holdings Limited (formerly Reliance World Trade)	Fellow Subsidiary Fellow Subsidiary	- -	(2 15 000) (4 12 592)
16	Issue of Non-Convertible Bonds (NCB) IndoSpace MET Logistics Park Farukhnagar Private Limited	Associate	468	-



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

Balance at the end of the year includes:

S.No.	Particulars	Relationship	(Rs. in Lakhs)	
			2023-24	2022-23
1	Unsecured Loan Received Reliance Corporate IT Park Limited	Fellow Subsidiary	6 27 200	6 31 200
2	Lesae Rent Received Reliance BP Mobility Limited Reliance Bio Energy Limited Reliance Projects & Property Management Services Limited	Fellow Subsidiary Fellow Subsidiary Fellow Subsidiary	14 143 280	- - -
3	Corporate Guarantee utilized for issue of bank guarantee of the Company (net) Reliance Industries Limited	Holding Company of RVL	23 347	17 097
4	Investment in Shares Reliance Innovative Building Solutions Private Limited IndoSpace MET Logistics Park Farukhnagar Private Limited	Subsidiary Associate	1 101 2 434	- 2 434
5	Investment in Non - Convertible Bonds (NCB) IndoSpace MET Logistics Park Farukhnagar Private Limited	Associate	962	494
6	Income from Common Area Maintenance Service Charges Reliance Industries Limited IndoSpace MET Logistics Park Farukhnagar Private Limited	Holding Company of RVL Associate	15 9	16 48
7	Income from Support Services IndoSpace MET Logistics Park Farukhnagar Private Limited	Associate	-	13

30.1 Compensation of Key managerial personnel

The remuneration of director and other member of key management personnel during the year was as follows:

S.N.	Particulars	(Rs. in Lakhs)	
		2023-24	2022-23
1	Short term benefits	394	369
2	Post-employment benefits	17	16
	Total	411	385

31 Contingent Liability & Commitments

Particulars	(Rs. in Lakhs)	
	2023-24	2022-23
Contingent Liabilities		
(i) Bank Guarantees	23 347	17 097
(ii) In respect of private purchase of land by the Company, 48 civil suits (previous year 52 civil suits) of various nature are pending in district courts and High Court. Company is of the view that most of these cases are not tenable and no material liability will arise.		
Commitments		
Others		
a. Estimated amount of contracts remaining to be executed as on 31st March, 2024 (net of advances) and not provided for	28 187	17 930
b. Estimated amount of contracts remaining to be executed on capital account as on 31st March, 2024 (net of advances) and not provided for	984	1 973
c. MoUs executed with Land Sellers (net of advances)	47	47
d. Estimated cost to be incurred in connection with development of Industrial colonies under license issued by Directorate of Town & Country Planning, Government of Haryana not included in (a) above	13 634	24 112
e. Rent of offices for unexpired period of rent agreement.	2 723	1 609

Capital Management

The Company adheres to robust capital Management framework. It proactively reviews its debt structure and tries to optimize the impact of finance cost by adopting suitable debt mix.

Particulars	(Rs. in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
Gross Debt	6 27 200	6 31 200
Cash and Marketable Securities	64 184	14 694
Net Debt (A)	5 63 016	6 16 506
Total Equity (As per Balance Sheet) (B)	18 055	24 067
Net Gearing (A/B)	31.18	25.62
Cash and Marketable Securities includes cash and cash equivalent of Rs.64 184 Lakhs (previous year Rs. 14 616 Lakhs) and investment in low duration mutual fund with Nippon India Mutual Fund of Rs Nil Lakhs (previous year 78 Lakhs)		



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

32 Financial Instruments

Fair value measurement hierarchy

Particulars	As at 31 st March, 2024				As at 31 st March, 2023			
	Carrying amount	Level of inputs used			Carrying amount	Level of inputs used		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
At amortized cost								
Trade Receivables	867	-	-	-	259	-	-	-
Cash and Cash Equivalents	64 184	-	-	-	14 616	-	-	-
Other Financial Asset	4 029	-	-	-	2 729	-	-	-
At FVTPL	-	-	-	-	-	-	-	-
Investments #	962	-	-	962	572	78	-	494
Financial Liability								
At Amortised cost								
Borrowings	6 27 200	-	-	-	6 31 200	-	-	-
Lease Liabilities	918	-	-	-	990	-	-	-
Trade Payable	5 776	-	-	-	2 890	-	-	-
Other Financial Liability	2 737	-	-	-	1 868	-	-	-

excludes investment of Rs. 2 434 Lakhs (previous year Rs. 2 434 Lakhs) in Associate and Rs. 1 101 Lakhs (previous year Rs. Nil Lakhs) in Subsidiary which have been measured at cost.

The Financial Instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than the quoted prices include within Level 1 that are observable for the asset or liability, either directly or indirectly; and
Level 3: Inputs based on unobservable market data.

The fair value of marketable securities in the form of investment in low duration mutual fund with Nippon India Mutual Fund is measured at NAV (under Level 1) declared by Nippon India Mutual Fund.

Interest rate risk

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period is as follows:

Particulars	(Rs. in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
Borrowing-Non Current	6 27 200	6 31 200

Credit Risk

Credit risk is the risk that a customer or counter party to a financial instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit risk arises from company's activities in investments and outstanding receivables from customers.

The Company has prudent and conservative process for managing its credit risk arising in the course of its business activities. Sale of developed plots /un-developed plots is made on receipt of full amount of consideration. The Company has payment delay risk on recovery of lease rentals and common maintenance charges from customers setting up their units in licensed colonies of the Company.

Liquidity Risk

Liquidity risk arises from the company's inability to meet its cash flow commitments on time. Since the Company is subsidiary of Reliance Industries Limited, the cash flow deficits, if any, will be funded by its ultimate holding Company.

33 The Company's activities during the year revolved mainly around development of Model Economic Township Projects. Considering the nature of Company's business and operations, there is only one reportable operating segment in accordance with requirement of Indian Accounting Standard 108 – "Operating Segments".



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

34 Investment property

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost.

Investment Property represents Five land parcels admeasuring 1.3125 acres, 4.44375 acres in revenue village of Dadri Toe, 1.1375 acres, 15.84375 acres in revenue village Badli, 22.4482 acres in village Yakubpur on operating lease with the intention to earn the rental and capital appreciation. The Company has re-classified both the land parcels as Investment Property. The details are as under:

Particulars	(Rs in Lakhs)			
	Land	Building	Plant and Machinery	Total
COST:				
As on 1 st April, 2023	647	-	-	647
Additions	4 671	6 089	416	11 176
Transferred to Assets held for Sale	-	-	-	-
Disposals	-	-	-	-
Balance as on 31 st March, 2024	5 318	6 089	416	11 823
Depreciation and Amortization				
As on 1 st April, 2023	-	-	-	-
Depreciation and Amortization during the year	-	149	23	172
Transferred to Assets held for Sale	-	-	-	-
Disposals	-	-	-	-
Balance as on 31 st March, 2024	-	149	23	172
Net Book Value				
As on 31 st March, 2023	647	-	-	647
As on 31 st March, 2024	5 318	5 940	393	11 651

Information regarding income and expenditure of investment Property

S.N.	Particulars	(Rs. in Lakhs)	
		For the year ended	
		31 st March, 2024	31 st March, 2023
1	Rental income derived from investment properties	865	64
2	Less: Direct operating expenses (including repairs and maintenance) that are generating rental income	-	-
3	Less: Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-
4	Profit arising from investment properties before depreciation	865	64
5	Less: Depreciation and Amortization for the year	(172)	-
6	Profit arising from Investment Properties	693	64

The fair value of the investment property is Rs. 15 306 Lakhs (Previous year – Rs 1 678 Lakhs). The fair value is determined based on the methodology adopted for market value determination for land acquired under The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act 2013. Since there are no comparable transactions in MET project area, and also considering fair value determination as per the Act as mentioned above, there is no need for external valuation for the purpose.

35 For the land purchased by the Company, the Company has formulated its own annuity scheme on voluntary basis for the payment of annuity to land sellers meeting the eligibility criteria and has provided liability for annuity on annual basis. The amount of undiscounted annuity liability as at 31st March, 2024 is Rs 3 611 Lakhs (Previous year Rs. 3 317 Lakhs). In respect of land of the Projects registered under Real Estate (Regulation and Development) Act 2016 by Real Estate Regulatory Authority, Punchkula and land sold/leased out, the Company has decided to pay annuity on yearly basis to land sellers, irrespective of their meeting the eligibility conditions and in such cases, has made the provision for full term of 33 years. The amount of undiscounted annuity provision for 33 years as at 31st March, 2024 is Rs. 22 322 Lakhs (Previous year Rs 19 038 Lakhs). Thus after carrying out the adjustment as required, the discounted amount of annuity provision as on 31st March, 2024 stands at Rs. 8 479 Lakhs (Previous year – Rs. 6 893 Lakhs). Such provisions will be re-measured in subsequent years as per the requirement of Indian Accounting Standards.

36

During the year the company purchased full equity capital of Reliance Innovative Building Solutions Private Limited on 27-Oct-2023 from Reliance Strategic Business Ventures Limited and made the company it's wholly owned subsidiary on 31-Oct-2023. Subsequent to this, the company purchased further equity share on right issue basis on 30-Dec-2023. The Company, after approval by the board on 10-Jan-2024, filed the scheme of Amalgamation of Reliance Innovative Building Solutions Private Limited with the company and their respective shareholder and creditors (Scheme) under the provision of section 233 of Companies Act, 2013. The Company filed the requisit application with Registrar of Companies, official liquidator and Regional Director and e-form with MCA seeking the confirmation of the scheme by the Regional Director on behalf of Central Government. The appointed date as per the scheme is defined to be 1-Jan-2024. Since the Confirmation of the Scheme by Regional Director is still awaited, the effect of such merger has not been given in the Financial Statement.



MODEL ECONOMIC TOWNSHIP LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

37 (a) Lease Rent Receivable

The Company executed long term lease agreements with three of its customers for a period of 99 years. As per the terms of lease, it received one time lease premium and in addition receives lease rentals on annual basis during the lease period. Subsequent to adoption of Indian Accounting Standards with transition date as at 1st April, 2015, it has computed the fair value of lease rentals receivable in future. It has thus gross lease rentals receivable with discounted value of minimum lease payments receivable as at end of each of the reporting period as under:

S.No.	Particulars	As at	
		31 st March 2024	31 st March 2023
1	Gross lease rentals receivable	1 257	1 271
2	Present value of minimum lease payments receivable	109	109
(a)	Not later than one year	12	12
(b)	Later than one year but not later than five years	48	55
(c)	Later than five years	49	42
3	Unearned Finance Income	1 148	1 162

(b) Lease Liabilities

(i) The following is the contractual maturity profile of lease liabilities:

S.No.	Particulars	As at	
		31 st March 2024	31 st March 2023
	Present Value of Lease payable	918	990
(a)	Less than one year	92	72
(b)	One year to five years	674	597
(c)	More than five years	152	321

(ii) Lease liabilities carry an effective interest rates in the range of 7.50% to 8.00%. The lease terms are in the range of 9 to 10 years.



MODEL ECONOMIC TOWNSHIP LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

38 As per the requirement of Ind AS- 37 (provisions, contingent liabilities and contingent assets), following are the details of provisions appearing as on each of the following reporting period:

S.No.	Particulars	(Rs. in Lakhs)	
		As at	
		31 st March 2024	31 st March 2023
1	Balance at the beginning	6 893	5 756
2	Add: Provisions made during the year	2 444	1 829
3	Less: Amount used/charged against the provisions during the year	858	692
4	Balance at the end	8 479	6 893

39 Employee Benefits

As per Indian Accounting Standard - 19 "Employee Benefits" the disclosures as defined are given below:

Defined Contribution Plans:

Contribution to Defined Contribution Plan, recognized as expenses for the year is as under:-

	(Rs. in Lakhs)	
	2023-24	2022-23
Employer's Contribution to Provident Fund	58	51
Employer's Contribution to Superannuation Fund	1	1
Employer's Contribution to Pension Scheme	15	13

Defined Benefit Plan

I. Reconciliation of opening and closing balances of Defined Benefit Obligation

Particulars	(Rs. in Lakhs)	
	Gratuity (Funded)	
	2023-24	2022-23
Defined Benefit Obligation at beginning of the year	235	206
Current Service cost	15	14
Interest Cost	18	15
Actuarial (gain) / loss on obligations due to change in financial assumptions	7	(5)
Actuarial (gain) / loss	3	14
Transfer in/ (Out)	-	-
Benefits paid	(11)	(9)
Defined Benefit obligation at year end	266	235

II. Reconciliation of opening and closing balances of fair value of Plan Assets

Particulars	(Rs. in Lakhs)	
	Gratuity (Funded)	
	2023-24	2022-23
Fair Value of Plan Assets at beginning of the year	235	206
Expected Return on Plan Assets	17	16
Liability Transferred In/Acquisitions	-	-
Actuarial Gain / (Loss)	-	-
Employers Contribution	14	13
Benefits paid	-	-
Fair value of Plan assets at year end	266	235

III. Reconciliation of fair value of Assets and Obligations

Particulars	(Rs. in Lakhs)	
	Gratuity (Funded)	
	2023-24	2022-23
Fair value of Plan Assets	266	235
Present value of Obligation	266	235
Net Liability/(Asset) Recognized in the Balance Sheet	-	-



MODEL ECONOMIC TOWNSHIP LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

IV. Expenses recognized during the year

Particulars	(Rs. in Lakhs)	
	Gratuity (Funded)	
	2023-24	2022-23
In Income Statement		
Current Service Cost		
Interest Cost	15	14
Net Cost	-	-
In Other Comprehensive Income	15	14
Actuarial (Gain) / Loss		
Return On Plan Assets	10	8
Net (Income)/ Expense For the year Recognized in OCI	-	-
	25	22

V. Investment Details

Particulars	(Rs. in Lakhs)	
	Gratuity (Funded)	
	2023-24	2022-23
Insurance Fund	266	235

VI. Bifurcation of Net Liability/ (Asset)

Particulars	(Rs. in Lakhs)	
	As on 31 st March, 2024	As on 31 st March, 2023
Current Liability/ (Asset) (Short Term)	-	-
Non-Current Liability/ (Asset) (Long Term)	-	-

VII. Actuarial assumptions

Particulars	Gratuity (Funded)	
	2023-24	2022-23
	2012-14	2012-14
	(Urban)	(Urban)
Discount Rate (per annum)	7.23%	7.60%
Rate of escalation in Salary (per annum)	6.00%	6.00%
Rate of Employee Turnover	7.00%	3.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The Expected Rate of Return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets.

VIII. The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2023-24

IX. Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	(Rs. in Lakhs)			
	31 st March, 2024		31 st March, 2023	
Defined Benefit Obligation (Base)	266		235	
Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+0.5%)	5	-5	5	-5
%age change compared to base due to sensitivity	1.8%	-1.7%	2.3%	-2.1%
Salary growth rate (-/+0.5%)	-5	5	-5	5
%age change compared to base due to sensitivity	-1.8%	1.8%	-2.2%	2.3%
Attrition rate (-/+ 25%)	0	0	0	0
%age change compared to base due to sensitivity	-0.1%	0.1%	0.0%	0.0%
Mortality Rate (-/+ 10%)	0	0	0	0
%age change compared to base due to sensitivity	0.0%	0.0%	0.0%	0.0%



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These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

- Investment risk: The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of reporting period on investment with LIC.
- Interest risk: A decrease in the interest rate will increase the plan liability; however this will be partially offset by an increase in the return on plan debt investments.
- Longevity risk: The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
- Salary risk: The present value of defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

40 Taxation

The income tax expenses for the year can be reconciled to the accounting profit as follows:

Particulars	(Rs. in Lakhs)	
	31 st March, 2024	31 st March, 2023
Profit / (Loss) before tax	(6 147)	5 676
Applicable tax rate	25.17%	25.17%
Computed tax expense	(1 547)	1 429
Tax effect of:		
Expenses disallowed/(allowed)/Other Adjustments	1 547	(12)
Carried Forward Losses Utilised	-	(1 418)
Current tax provision (A) *	-	-
Incremental deferred tax asset on account of tangible and intangible assets	(818)	42
Incremental deferred tax asset / (liability) on account of financial assets and other items	963	(12)
Deferred tax provision (B)	145	30
Tax expenses recognized in Statement of Profit and Loss (A+B)	145	30

* Since there is a Loss before tax, no provision of current tax has been made.

41 The Deferred Tax (Liability) /Asset comprise of the following:

	(Rs. in Lakhs)			
	As at 31st March, 2023	Charge/(Credit) to profit or loss/OCI	Others	As at 31st March, 2024
Deferred Tax (Liabilities) /Asset in relation to				
Property, plant and equipment	(227)	(818)	-	(1 045)
Financial assets and other items	(259)	(6 863)	-	(7 122)
Financial liabilities and other items	(1 696)	(335)	-	(2 031)
Carried Forward losses	556	8 161	-	8 717
Total	(1 626)	145	-	(1 481)



42 Ratio Analysis

Sr. No.	Particulars	2023- 24	2022- 23	% Changes
1	Current Ratio ^a	4.75	7.58	-37%
2	Debt-Equity Ratio ^b	34.74	26.23	32%
3	Debt Service Coverage Ratio ^b	0.35	0.24	50%
4	Return on Equity Ratio ^e	-28%	27%	-206%
5	Inventory Turnover Ratio ^c	0.07	0.04	110%
6	Trade Receivable Turnover Ratio ^c	5.60	2.82	99%
7	Trade Payables Turnover Ratio ^d	6.89	7.58	-9%
8	Net Capital Turnover Ratio ^c	0.17	0.09	79%
9	Net Profit Ratio ^e	-6%	9%	-160%
10	Return on Capital Employed (Excluding Working capital Financing) ^f	7%	3%	110%
11	Return on Investment ^g	5%	3%	88%

- a) Current ratio decreased due to increase in current liabilities on account of advances received from customers.
b) Debt-Equity Ratio and Debt Services Coverage Ratio increased due to loan raised during the year.
c) Inventory Turnover Ratio, Trade Receivable and Net Capital Turnover ratio increased due to increase in sales for the year.
d) Trade Payable Trunover Ratio decreased due to reduction in credit purchases during the year.
e) Net Profit Ratio, Return on Equity Ratio decreased due to increase in finance cost during the year.
f) Return on Capital Employed Turnover ratio increased due to increase in sales for the year.
g) Return on Investment increased due to sale of Mutual funds and increase in fixed deposits.

Formulae for computation of ratios are as follows:

Sr. No.	Particulars	Formula
1	Current Ratio	$\frac{\text{Current assets}}{\text{Current Liabilities}}$
2	Debt-Equity Ratio	$\frac{\text{Total Debts}}{\text{Total Equity}}$
3	Debt Service Coverage Ratio	$\frac{\text{Earning Before Interest, Tax and Exceptional Items}}{\text{Interest expense + Principal Repayments made during the period for long term loans}}$
4	Return on Equity Ratio	$\frac{\text{Profit After Tax (Attributable to Owners)}}{\text{Average Net worth}}$
5	Inventory Turnover Ratio	$\frac{\text{Cost of goods Sold}}{\text{Average Inventory of Finished Goods, Stock-in-Process and Stock in Trade}}$
6	Trade Receivable Turnover Ratio	$\frac{\text{Value of Sales and Services}}{\text{Average Trade Receivables}}$
7	Trade Payables Turnover Ratio	$\frac{\text{Cost of Material Consumed (after adjustment of RM Inventory) + Purchases of Stock in Trade + Other Expenses}}{\text{Average Trae Payables}}$
8	Net Capital Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Working Capital}}$
9	Net Profit Ratio	$\frac{\text{Profit After tax}}{\text{Value of Sales and Services}}$
10	Return on Capital Employed (Excluding Working capital Financing)	$\frac{\text{Net Profit After Tax + Deferred Tax Expense/(Income) + Finance Cost (-) Other Income (-) Share of Profit / (Loss) of Associates and Joint Ventures}}{\text{Average Capital Employed}}$
11	Return on Investment	$\frac{\text{Other Income (Excluding Dividend)}}{\text{Average Cash, Cash Equivalents \& Other Marketable Securities}}$



MODEL ECONOMIC TOWNSHIP LIMITED
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43 Corporate Social Responsibility

- (a) Based on the 3 year average profit of the Company, as provided for in the Companies Act 2013, the obligation for CSR spent became applicable to the company from the year 2022-23.
- (b) CSR amount required to be spent as per section 135 of the companies Act, 2013 read with schedule VII thereof by the company during the year is Rs.125 Lakhs (Previous year – Rs. 65 Lakhs).
- (c) Expenditure related to Corporate Social Responsibility is Rs.129 Lakhs (Previous year – Rs. 67 Lakhs)

Particulars	(in Lakhs)	
	2023-24	2022-23
Rural Infrastructure	-	22
Health(including COVID-19)	35	7
Education	68	23
Employment Enhancing Programme	26	-
Promotion of Sports	-	4
Animal Welfare	-	11
Total	129	67


44 Other Statutory Information

- (i) As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off Companies.
- (ii) The Company do not have any Capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.
- (iii) 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.
- (iv) 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.
- (v) The Company does not have any such 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
- 45 The figures for the corresponding previous year have been regrouped/ reclassified wherever necessary, to make them comparable.
- 46 The financial statements were approved for issue by Board of directors on 11th April, 2024.

As per our Report on even date
For Chaturvedi & Shah LLP
Chartered Accountants
Regn No. 101720W / W100355


Anuj Bhatia
Partner
Membership No. - 122179
Place: Gurugram
Date: 11-April-2024

For and on behalf of the Board


Shrivallabh Goyal
(Whole Time Director)
DIN- 00021471


Sudhir Kumar Jain
(Whole Time Director & CFO)
DIN- 05205213

Place: Gurugram
Date: 11-April-2024


Shanker Adawal
(Director)
DIN- 01039400


Ankita Bajaj
(Company Secretary)
Membership No : 72925

