



17th Annual Report of Blue Lagoon Real Estate Private Limited

Registered office: 1st Floor, Embassy Point,
150 Infantry Road, Bangalore – 560001
CIN- U70102KA2006PTC041222

BLUE LAGOON REAL ESTATE PVT. LTD. : Embassy Point, 1st Floor, 150, Infantry Road, Bangalore 560001.
T: +91 80 4179 9999. F: +91 80 2228 6912. www.embassyindia.com CIN: U70102KA2006PTC041222

Registered Office: Embassy Point, 1st Floor, 150, Infantry Road, Bangalore 560001. T: +91 80 4179 9999. F: +91 80 2228 6912.



CORPORATE INFORMATION:

Board of Directors:

Mr. D. Vijayakumar	-	Director
Ms. Vasundhara H	-	Director
Ms. Shaina Ganapathy	-	Director

Statutory Auditors:

-	M/s. Walker Chandiok & Co. LLP, Chartered Accountant, Firm Registration No.: AAC-2085 5th Floor, No.65/2, Block "A", Bagmane Tridib, Bagmane Tech Park, C V Raman Nagar, Bengaluru 560093
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Reg. office

-	1st Floor, Embassy Point, 150 Infantry Road, Bangalore - 560001
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NOTICE

NOTICE is hereby given that the 17th Annual General Meeting of the Members of Blue Lagoon Real Estate Private Limited will be held on Monday 26th June 2023 at 11:00 A.M at the Registered Office of the Company at 1st Floor, Embassy Point, 150 Infantry Road, Bangalore – 560001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the Company which includes the Audited Balance Sheet for the Financial Year ended March 31, 2023, the Statement of Profit and Loss, statement of cash flows for the financial year ended as on that date together with reports of the Board of Directors and the Statutory Auditors thereon.
2. To appoint Mrs. Shaina Ganapathy (DIN 01777973), who retires by rotation and being eligible, offers herself for re-appointment as a director.

To consider and if thought fit, to pass the following resolution as an ordinary resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, Mrs. Shaina Ganapathy (DIN 01777973), who retires by rotation at this AGM and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, who shall be liable to retire by rotation.”

For Blue Lagoon Real Estate Private Limited



D. Vijayakumar
Director
DIN: 00036772

Date: 23.05.2023

Place: Bangalore

Note:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote as per the provisions of the Articles of Association.
2. Proxies, in order to be valid shall be lodged, duly executed with the Company at its Registered Office at least forty-eight hours before the commencement of the meeting.



3. Members are requested to promptly notify any change in their postal address/ E-mail address to the Registered Office of the Company.
4. Members/Proxies should bring the attendance slip duly filled in and signed for attending the Meeting.
5. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting (AGM) are requested to send a certified copy of the Board Resolution/Authority Letter authorizing their representative to attend and vote on their behalf at the Meeting.
6. Necessary documents shall be available for inspection at any time during the working hours from Monday to Friday at the Registered Office of the Company.
7. An Explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto
8. The route map showing direction to reach the venue of the AGM is annexed.



**Form No. MGT-11
Proxy Form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

CIN : U70102KA2006PTC041222
Name of the Company : Blue Lagoon Real Estate Private Limited
Registered Office : 1st Floor, Embassy Point 150, Infantry Road, Bangalore-560001

Name of the Member(s) :	:
Registered Address :	:
E-mail Id :	:
Folio No. / Client Id :	:
DP ID :	:

I/We, being the member(s) of shares of the above named company, hereby appoint:

1. Name :
Address :
E-mail Id :
Signature :, or failing him
2. Name :
Address :
E-mail Id :
Signature :, or failing him

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 17th Annual General Meeting of the company, to be held on Monday 26th June 2023 at 11:00 AM at 1st Floor, Embassy Point 150, Infantry Road, Bangalore-560001, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.:

1. To receive, consider and adopt the financial statements of the Company which includes the Audited Balance Sheet for the Financial Year ended March 31, 2023, the Statement of Profit and Loss, statement of cash flows for the financial year ended as on that date together with reports of the Board of Directors and the Statutory Auditors thereon

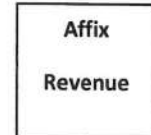


2. To appoint Mrs. Shaina Ganapathy, who retires by rotation and being eligible, offers herself for re-appointment as a director.

Signed this day of 2023

Signature of Shareholder

Signature of Proxy holder



Note:

- a) Revenue Stamp to be affixed on this form.
- b) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



ATTENDENCE SLIP

Blue Lagoon Real Estate Private Limited

Registered Office: 1st Floor, Embassy Point 150, Infantry Road, Bangalore-560001

Please complete this Attendance Slip and hand it over at the entrance of the place of the meeting

Folio No. _____ Client ID No. _____

Name of the Shareholder/Proxy _____

Address _____

No. of shares held _____

I hereby record my presence at the 17th Annual General Meeting of the Company held at 1st Floor, Embassy Point 150, Infantry Road, Bangalore-560001, on Monday 26th June 2023 at 11:00 A.M.

BLUE LAGOON REAL ESTATE PVT. LTD. : Embassy Point, 1st Floor, 150, Infantry Road, Bangalore 560001.

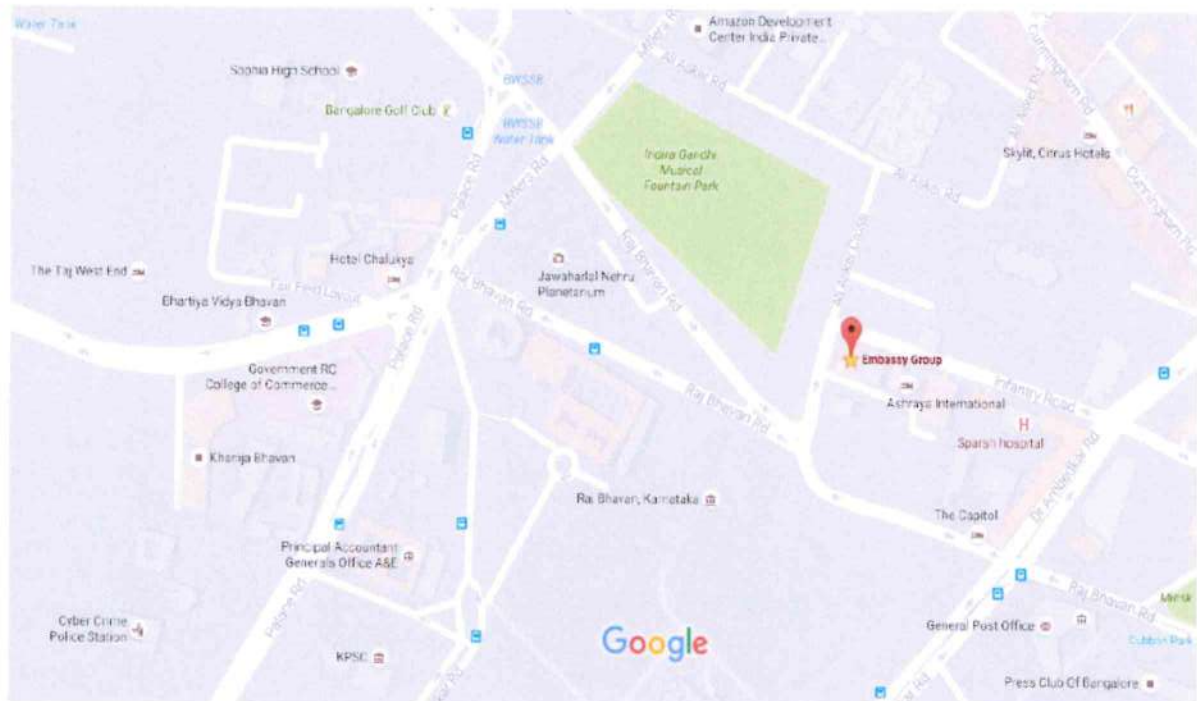
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Annexure II to the Notice

ROUTE MAP FOR THE VENUE OF THE ANNUAL GENERAL MEETING

Venue: 1st Floor, Embassy Point, 150 Infantry Road, Bangalore – 560001



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BOARD'S REPORT

To,
Dear Members,

Your Directors have pleasure in presenting the 17th Annual Report together with the the Audited Statement of Accounts of your Company for the Year ended March 31st, 2023.

1. FINANCIAL RESULTS:

The Company's financial performance for the year under review along with previous year figures are given hereunder:

Amount in 000'

S.No.	Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
1.	Revenue from Operations	-	-
2.	Add: Other Income	-	3,252
3.	Less: Operating and other expenses	647	616
4.	Profit/(Loss) before finance cost, depreciation, amortization and tax ('PBITDA')	(647)	2636
5.	Less: Finance Cost, depreciation and amortization	17,707	10,159
6.	Profit/(Loss) before tax	(18,354)	(7,523)
7.	Current Tax and Deferred Tax	-	-
8.	Loss after tax	(18,354)	(7,523)
9.	Other comprehensive income	-	-
10.	Total Comprehensive Income for the year	(18,354)	(7,523)
11.	Earnings per shares- Basic and diluted	(367.08)	(150.46)

2. STATE OF AFFAIRS:

The Company is engaged in Real Estate Business. There has been no change in the business of the Company during the financial year ended 31st March,2023.



The Company did not have any operating revenues during the year under review and the Company had a loss after tax of Rs. 1,83,54,000/-

3. MEETINGS OF BOARD OF DIRECTORS:

Five Board Meetings were held during the Financial Year ended March 31, 2023

First Quarter (April to June)	Second Quarter (July to Sept)	Third Quarter (Oct to Dec)	Fourth Quarter (Jan to March)	Total Board Meetings
30 th May, 2022	11 th July,2022 08 th August,2022	11 th November,2022	10 th February,2023	5 (Five)

The maximum gap between any two Board Meetings was less than 120 days.

The names of members of the Board, their attendance at the Board Meetings is as under:

Name of Directors	Number of Meetings attended/ Total Meetings held during the F.Y. 2022-23
Mr. D.Vijayakumar	5
Mrs. Vasundhara H	5
Mrs. Shaina Ganapathy	5

4. DETAILS OF FRAUD REPORTED BY AUDITOR:

As per auditors' report, no fraud u/s 143(12) reported by the auditor.

5. AUDITORS

a. Statutory Auditor

M/s. Walker Chandiook & Co. LLP, Chartered Accountants were appointed as statutory auditors at the Annual General Meeting held on 1st July,2021, till the conclusion of 20th AGM to be held in the FY 2025-26.



b. Internal Auditor:

The Company is not required to appoint Internal Auditors as specified under section 138 of the Companies Act, 2013.

c. Secretarial Auditor:

The Company is not required to appoint Secretarial Auditor as per the provision of section 204 of Companies Act, 2013.

d. Cost Auditor:

Appointment of Cost Auditors is not applicable to the Company as per the provision of section 148 of Companies Act, 2013.

6. BOARD'S COMMENT ON THE AUDITORS' REPORT:

There are no qualifications or observations in the Auditors' report.

7. PARTICULARS OF LOANS AND INVESTMENT:

The Company has not granted any Loan, made any Investment, given guarantee and securities during the year under review. Therefore, no need to comply provisions of section 185 & Section 186 of Companies Act, 2013.

8. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year ended 31st March, 2023 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted. Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required. However, as a good corporate governance the disclosure of transactions with related party for the year, as per IND AS -24 Related Party Disclosures is given in Note no 20 to the Balance Sheet as on 31st March, 2023 are given in AOC-2 as Annexure I.

9. WEB LINK OF ANNUAL RETURN:

The Company doesn't have any website. Therefore, there is no need for the publication of Annual Return.

10. TRANSFER TO RESERVE:

During the year under review, the Company has not transferred any amount to the Reserves.

11. DIVIDEND:

The Board of Directors of your company has not declared any Dividend for the current financial year due to loss incurred by the Company.

12. MATERIAL CHANGES AND COMMITMENTS:

Except as mentioned below, there have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

13. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016):

No application has been made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year to which this financials relates.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

The information pertaining to conservation of energy, technology absorption, foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is as mentioned below:

A. CONSERVATION OF ENERGY		
SL.NO	PARTICULARS	
1	the steps taken or impact on conservation of energy	The Company is conscious towards conservation of energy and adequate measures have been taken to conserve energy.
2	the steps taken by the company for utilizing alternate sources of energy	
3	the capital investment on energy conservation equipment's;	Nil
B. TECHNOLOGY ABSORPTION		
SL.NO	PARTICULARS	
1	The efforts made towards technology absorption	The Company is conscious towards technology absorption and adequate measures have been taken for the same.

2	The benefits derived like product improvement, cost reduction, product development or import substitution;	Cost Reduction, Performance Improvement
3	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year (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; and	The Company has not imported any technology during the year
4	The expenditure incurred on Research and Development	NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

SL.NO	PARTICULARS	REMARKS
1	The Foreign Exchange earned in terms of actual inflows during the year	NIL
2	The Foreign Exchange outgo during the year in terms of actual outflows	NIL

15. RISK MANAGEMENT POLICY:

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

16. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company does not meet the criteria laid down in Section 135 of the Companies Act, 2013, and Companies Social Responsibility Rules 2014, and hence the CSR provisions do not apply to the company.

17. DETAILS OF HOLDING, SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

During the year under review, Mac Charles (India) Limited continues to be the holding Company of the Company.



The Company does not have any subsidiaries, joint-ventures or associate companies during the year. Hence furnishing information in Form-AOC 1 is not applicable.

18. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

During the year under review, the details of Board of Directors as on 31.03.2023 are as follows:

1. Mr. D.Vijayakumar
2. Mrs. Vasundhara H
3. Mrs. Shaina Ganapathy

There are no Key Managerial Personnel in the Company.

19. STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF THE PERFORMANCE OF THE COMPANY AND THAT OF ITS COMMITTEES AND THE DIRECTORS:

The provisions regarding the formal annual evaluation of the performance of the Company and of the Committees and its Directors are not applicable for the Company during the year under review. However, the management reviews its performance regularly.

20. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS U/s 178(3)

The provisions of Section 178(1) relating to the constitution of Nomination and Remuneration Committee are not applicable to the Company during the year under review. Accordingly, the provisions of Section 178(3) are also not applicable to the Company during the year under review.

21. AUDIT COMMITTEE:

The Company is not required to constitute Audit Committee as specified under section 177 of the Companies Act, 2013.

22. VIGIL MECHANISM POLICY:

During the year under review, the Company has adopted a vigil mechanism policy for directors and employees to report genuine concerns. During the year under review, no protected disclosure from any whistle blower was received by the designated officer under the Vigil Mechanism.

23. NOMINATION AND REMUNERATION COMMITTEE:

The Company is not required to constitute Nomination and Remuneration Committee as specified under section 178 of the Companies Act, 2013.

24. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company is not required to constitute Stakeholders Relationship Committee as specified under section 178 (5) of the Companies Act, 2013.

25. DEPOSITS:

During the year under review, the Company has not accepted any deposits under the provisions of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposit) Rules, 2014 as amended.

26. INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial statements and was operating effectively during the year under review.

27. COST RECORD:

During the year under review, the Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

28. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:

During the year under review, no significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

29. CONSTITUTION OF COMMITTEE - SEXUAL HARASSMENT AT WORKPLACE:

During the year under review, the Company did not have any employee hence adoption of policy on Prevention of Sexual Harassment for Woman at workplace is not applicable. Since the policy is not applicable, setting up of Internal Complaints Committee (ICC) does not arise.

30. CONSOLIDATED FINANCIAL STATEMENTS:

Company doesn't have any subsidiaries so there is no need to prepare consolidated financial statement for the F.Y. 2022-23.

31. COMPLIANCE WITH SECRETARIAL STANDARD:

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

32. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3) (c) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a) In the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.
- b) The Directors have 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, 2023 and of the profit 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 Company being unlisted, sub clause (e) of section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company.
- 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.

33. DECLARATION OF INDEPENDENT DIRECTORS AND THEIR PERFORMANCE EVALUATION:

The provisions of Section 149 pertaining to the appointment of Independent Directors and performance evaluation do not apply to our Company.

34. THE DETAILS WITH RESPECT TO MANNER OF BOOKS OF ACCOUNTS KEPT IN ELECTRONIC MODE:

The details with respect to manner of Books of Accounts kept in electronic mode are as below:

- a) Name of the Service Provider: **Microsoft Corporation | G7 CR Technologies India Private Limited**
- b) The internet protocol address of Service Provider: **172.16.YYY.XXX Series**
- c) The location of the Service Provider (Wherever Applicable): **Mumbai (Primary) & Chennai (DR) Datacenter**
- d) Where the books of account and other books and papers are maintained on cloud, such address as provided by the service provider: Books of Accounts in SAP application as per application process: **Mumbai (Primary) & Chennai (DR) Datacenter**
- e) Where the service provider is located outside India, the name and address of the person in control of the books of account and other books and papers in India: **NA**

35. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

Not Applicable

36. ACKNOWLEDGMENT:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors



D Vijayakumar
Director
DIN: 00036772



Vasundhara Harshavardhan
Director
DIN: 05151884

Date: 23.05.2023
Place: Bangalore

Annexure I to Boards' Report

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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions at Arm's length basis.

Name (s) of the related party and nature of relationship	Names of contracts/ arrangements/ transactions	Duration of the Contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value if any. (in 000)	Date(s) of approval by the Board	Amount paid as advances, if any (in Rs.)
Mac Charles (India) Limited- Holding Company	Loan taken from related parties	On going	1,000	01.07.2021	-

For and on behalf of the Board of Directors

Place: Bangalore

Date: 23.05.2023


D Vijayakumar
Director
DIN: 00036772


Vasundhara Harshavardhan
Director
DIN: 05151884

Walker Chandiook & Co LLP

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5th Floor, No.65/2, Block "A",
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F +91 80 4126 1228

Independent Auditor's Report

To the Members of Blue Lagoon Real Estate Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Blue Lagoon Real Estate Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

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

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

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Walker Chandniok & Co LLP

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation 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 Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. 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

8. 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 Standards on Auditing 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.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism 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;

Walker Chandniok & Co LLP

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
10. 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - 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 financial statements dealt with by this report are in agreement with the books of account
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;



Walker Chandiook & Co LLP

- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed unmodified opinion; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us
 - i. the Company does not have any pending litigations which would impact its financial position as at 31 March 2023;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023.;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 25 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 25 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

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- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Hemant Maheshwari
Partner
Membership No.: 096537
UDIN: 23096537BGVERJ6837



Place: Bengaluru
Date: 23 May 2023

Walker Chandiook & Co LLP

Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Blue Lagoon Real Estate Private Limited on the financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of investment property. Further, the Company does not have any property, plant and equipment or right of use of assets.

(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The investment property have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (included under the head 'investment property') held by the Company disclosed in note 3 to the financial statements are held in the name of the Company. Further, there are no properties where the Company is lessee. For title deeds of immovable properties in the nature of land (included under 'investment property') with gross carrying values of ₹ 267,472 as at 31 March 2023 which have been given as custody for debentures issued by the Holding Company, confirmation with respect to title of the Company has been directly obtained by us from the debenture trustee.
- (d) The Company has not revalued its investment property during the year. Further, the Company does not hold any intangible assets.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, 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 (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

Walker Chandiook & Co LLP

Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Blue Lagoon Real Estate Private Limited on the financial statements for the year ended 31 March 2023

- (vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, there are no loans, borrowings, or interest thereon due for repayment in the current year. Accordingly, the Company has not defaulted in payment of amounts of such nature to any lender in the current year.
- (b) According to the information and explanations given to us including confirmations received from banks and other lenders, representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful 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 to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

Walker Chandiook & Co LLP

Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Blue Lagoon Real Estate Private Limited on the financial statements for the year ended 31 March 2023

- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b)and(c) of the Order are not applicable to the Company
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) doe not have any CIC.
- (xvii) The Company has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to ₹ 18,353 thousand and ₹ 7,523 Thousand respectively.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is 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 realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management 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 indicating 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) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

Walker Chandiok & Co LLP

Annexure I referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Blue Lagoon Real Estate Private Limited on the financial statements for the year ended 31 March 2023

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013


Hemant Maheshwari
Partner
Membership No.: 096537
UDIN: 23096537BGVERJ6837



Place: Bengaluru
Date: 23 May 2023

Walker Chandiook & Co LLP

Annexure II to the Independent Auditor's Report of even date to the members of Blue Lagoon Real Estate Private Limited on the financial statements for the year ended 31 March 2023.

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Blue Lagoon Real Estate Private Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. 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 Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 were established and maintained and if such controls operated effectively in all material respects.
4. 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 includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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.

Walker Chandiook & Co LLP

Annexure II to the Independent Auditor's Report of even date to the members of Blue Lagoon Real Estate Private Limited on the financial statements for the year ended 31 March 2023.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls 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 controls with reference to financial statements include 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

7. 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 controls 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

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Hemant Maheshwari
Partner
Membership No.: 096537
UDIN: 23096537BGVERJ6837



Place: Bengaluru
Date: 23 May 2023

Blue Lagoon Real Estate Private Limited
Balance Sheet as at 31 March 2023
(All amounts in ₹ thousands except otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Investment property	3	267,472	267,472
Other non current assets	4	-	-
Total non-current assets		267,472	267,472
Current assets			
Financial assets			
- Cash and cash equivalents	5	456	82
- Other financial assets	6	15	123
Total current assets		471	205
Total assets		267,943	267,677
Equity and liabilities			
Equity			
Equity share capital	7	500	500
Other equity	8	72,293	90,189
Total equity		72,793	90,689
Non current liabilities			
Borrowings	9	194,678	176,428
Deferred tax liabilities	17	-	-
Total non-current liabilities		194,678	176,428
Current liabilities			
Financial liabilities			
- Trade payables	10	-	-
(a) Total outstanding dues of micro enterprises and small enterprises; and		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		432	432
- Other financial liabilities	11	-	88
Other current liabilities	12	40	40
Total current liabilities		472	560
Total equity and liabilities		267,943	267,677

Summary of significant accounting policies

1 to 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Hemant Maheshwari
Partner
Membership Number: 096537

Bengaluru
23 May 2023



For and on behalf of the Board of Directors of
Blue Lagoon Real Estate Private Limited

Vijaya Kumar D
Director
DIN: 00036772

Bengaluru
23 May 2023

Vasundhara H

Vasundhara H
Director
DIN: 05151884

Bengaluru
23 May 2023



Blue Lagoon Real Estate Private Limited
Statement of Profit and Loss for the year ended 31 March 2023
(All amounts in ₹ thousands except otherwise stated)

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Revenue from operations		-	-
Other income	13	-	3,252
Total income		-	3,252
Expenses			
Finance costs	14	17,707	10,159
Other expenses	15	647	816
Total expenses		18,354	10,775
Loss before tax		(18,354)	(7,523)
Tax expense			
Current tax	17	-	-
Deferred tax		-	-
Loss after tax for the year		(18,354)	(7,523)
Other comprehensive income		-	-
Total comprehensive loss for the year		(18,354)	(7,523)
Loss per share (Equity shares, par value of ₹ 10 each)			
Basic and diluted(₹)	18	(367.08)	(150.46)
Summary of significant accounting policies	1 to 2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013



Hemant Maheshwari
Partner
Membership Number:096537

Bengaluru
23 May 2023



For and on behalf of the Board of Directors of
Blue Lagoon Real Estate Private Limited



Vijaya Kumar D
Director
DIN: 00036772

Bengaluru
23 May 2023



Vasundhara H
Director
DIN: 05151884

Bengaluru
23 May 2023



Blue Lagoon Real Estate Private Limited
Statement of Cash Flows for the year ended 31 March 2023
(All amounts in ₹ thousands except otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
(A) Cash flow from operating activities:		
Loss before tax	(18,354)	(7,523)
Adjustments:		
- Interest expense	17,707	10,159
Operating cash flow before working capital changes	(647)	2,636
Changes in		
- Trade payables and other liabilities and provisions	(88)	(3,196)
- Other financial assets and other assets	108	-
Cash used in from operations	(627)	(560)
Net cash used in operating activities	(627)	(560)
(B) Cash flow from investing activities:	-	-
(C) Cash flow from financing activities:		
Proceeds from borrowing	1,000	600
Net cash generated from financing activities	1,000	600
Net Increase in cash and cash equivalents (A+B+C)	373	40
Cash and cash equivalents at the beginning of the year	82	42
Cash and cash equivalents at the end of the year	455	82
Components of cash and cash equivalents		
Cash and cash equivalents at the end of the year (Refer note 5)	456	82
	456	82

The disclosure on reconciliation of movements of liabilities to cash flows arising from financing activities is disclosed in note 24B.


Summary of significant accounting policies

1 to 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013


Hemant Maheshwari
Partner
Membership Number: 096537

Bengaluru
23 May 2023

For and on behalf of the Board of Directors of
Blue Lagoon Real Estate Private Limited


Vijaya Kumar D
Director
DIN: 00036772

Bengaluru
23 May 2023


Vasundhara H
Director
DIN: 05151884

Bengaluru
23 May 2023



Blue Lagoon Real Estate Private Limited
Statement of Changes In Equity for the year ended 31 March 2023
(All amounts in ₹ thousands except otherwise stated)

(A) Equity share capital

	Equity shares	
	Number	Amount
Balance as at 01 April 2021	50,000	500
Changes in equity share capital during the year	-	-
Balance as at 31 March 2022	50,000	500
Changes in equity share capital during the year	-	-
Balance as at the 31 March 2023	50,000	500

(B) Other equity

	Accumulated deficit	Contribution from Holding Company (refer note 9(a))	Other comprehensive income	Total other equity
Balance as at 01 April 2021	(3,867)	-	-	(3,867)
Loss for the year	(7,523)	-	-	(7,523)
Interest free loan received from Holding Company	-	101,579	-	101,579
Balance as at 31 March 2022	(11,390)	101,579	-	90,189
Loss for the year	(18,354)	-	-	(18,354)
Interest free loan received from Holding Company	-	458	-	458
Balance as at the 31 March 2023	(29,744)	102,037	-	72,293

Summary of significant accounting policies 1 to 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Hemant Maheshwari
Partner
Membership Number: 096537

Bengaluru
23 May 2023

For and on behalf of the Board of Directors of
Blue Lagoon Real Estate Private Limited

Vijaya Kumar D
Director
DIN: 00036772

Bengaluru
23 May 2023

Vasundhara H
Director
DIN: 05151884

Bengaluru
23 May 2023



Blue Lagoon Real Estate Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ thousands except otherwise stated)

1 Company Overview

Blue Lagoon Real Estate Private Limited ('the Company') was incorporated on 15 December 2006. The Company has been formed primarily for carrying on business of real estate development (lease and sell of commercial /residential property). The registered office address of the Company is 1st Floor, Embassy Point 150, Infantry Road, Bangalore , Karnataka, India (560001) . The financial statements for the year ended 31 March 2023 were authorised and approved for issue by the Board of Directors on 23 May 2023.

During the year ended 31 March 2023, the Company has incurred a loss of ₹ 18,354 (31 March 2022: ₹ 7,523) and have accumulated losses aggregated to ₹ 29,744 (after excluding the contribution from holding of ₹ 102,037) (31 March 2022: ₹ 11,390). The Company is holding a property in the nature of freehold land for capital appreciation having carrying value of ₹ 267,472 (31 March 2022: ₹ 267,472) and fair value of ₹ 1,996,120 (31 March 2022: ₹ 1,916,000). The Ultimate Holding Company has stated its unconditional intention to continue to infuse funds by way of loan or any other feasible mode into the Company towards expansion of business / working capital / repayment of loans to Holding Company as and when they fall due. Accordingly, based on above the Company will be able to realize its assets and discharge its liabilities as recorded in these financial statements in the normal course of business. Consequently, the financial statements, have been prepared on a going concern basis.

2 Significant Accounting Policies

2.01 Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared on a historical cost basis. The financial statements are presented in ₹ and all values are rounded to the nearest thousand, except when otherwise stated.

2.02 Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcome requiring a material adjustment to the carrying amounts of assets or liabilities, as the case may be, in future periods.

Judgements

Classification of property

The Company determines whether a property is classified as investment property or property, plant and equipment: Investment property comprises land that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2.03 Current versus Non-Current classification

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

An asset is treated as current when it is:

Expected to be realized within twelve months after the reporting period, or

Cash or Cash equivalents 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:

Due to be settled within twelve months after the reporting period, or

The Company classifies all other liabilities as non-current.

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



2.04 Investment Properties

Recognition and Initial Measurement

Investment Properties are properties held to earn rentals or for capital appreciation, or both. Investment Properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Company. All other repair and maintenance costs are recognized in Statement of Profit and Loss as expenses.

Subsequent Measurement (Depreciation and Useful Life)

Investment Properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful life prescribed in Schedule II to the Act.

De-Recognition

Investment Properties are de-recognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in Statement of Profit or Loss in the period of de-recognition.

2.05 Impairment of Assets

Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any Indication that those assets have suffered an impairment loss. If any such Indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an Individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to Individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial Assets

The Company recognises loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through Statement of Profit and Loss. The Company tests for impairment using the ECL model for financial assets such as loans and advances to be settled in cash.

Loss allowance for loans with no significant financing component is measured at an amount equal to lifetime ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

Impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss. This amount is reflected in a separate line in the Statement of Profit and Loss as an impairment gain or loss. For financial assets measured at amortised cost, ECL is presented as an allowance which reduces the net carrying amount of the financial asset.

2.06 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.



2.07 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest Income

Interest income is recognised on a time proportion basis as and when accrued. Interest income on financial instruments are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the asset.

2.08 Income Taxes

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item directly recognised in equity or in other comprehensive income.

Current tax

Current Income Tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the extant provisions of the Income Tax Act, 1961.

Current Income Tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in Other Comprehensive Income or in Equity). Current Income Tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in Equity. Management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity).

2.09 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders share split and reverse share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all potentially dilutive securities.

2.10 Provisions

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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Blue Lagoon Real Estate Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (cont'd)

(All amounts in ₹ thousands except otherwise stated)

2.11 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cheques in hand and cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cash flows, cash and bank balance consist of cash and cash equivalents and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities.

2.12 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

2.13 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

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

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.14 Financial Instruments

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

Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset except in the case of financial assets recorded at fair value through Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial liabilities are classified as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

(i) Financial assets carried at amortised cost

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

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

A financial asset is subsequently measured at fair value through Other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in Other Comprehensive Income.

(iii) Financial assets at fair value through statement of profit and loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through Statement of Profit and Loss.



(iv) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through Statement of Profit and Loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the Effective Interest Rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate. The Effective Interest Rate amortisation is included as finance costs in the Statement of Profit and Loss.

Offsetting of Financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derecognition of Financial instrument

A financial asset is primarily derecognised when:

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

When the Company has transferred its right to receive the cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement.

In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

2.15 Recent accounting pronouncements

Standards issued but not effective on Balance Sheet date:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, which are effective from annual period beginning on or after 1 April 2023, details of which are given below:

Ind AS 107 - Financial Instruments

The amendment substitutes the paragraph 21 - while presenting a Financial Statement an entity discloses material accounting policy information. Information about the measurement basis (or bases) for financial instruments used in preparing the financial statements is expected to be material accounting policy information. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 1 - Presentation of financial statement

The standard requires the entities to disclose their accounting policies rather than their significant accounting policies, which form the basis of making materiality judgements.

Ind AS 8 – Accounting policies, changes in accounting estimates and errors:

The standard has introduced a definition of 'accounting estimated, and included appropriate amendments to help entities distinguish changes in accounting policies from change in accounting estimates.

Ind AS 12 – Income Taxes

The standard has narrowed the scope of initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

The Company has evaluated the aforementioned amendments and concluded that there is no material impact on the financial statement.



Blue Lagoon Real Estate Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (cont'd)

(All amounts in ₹ thousands except otherwise stated)

3 Investment property

	Investment Property(Land)	Total
Cost or deemed cost		
Balance as at 01 April 2021	267,472	267,472
Additions	-	-
Disposals	-	-
Balance as at 31 March 2022	267,472	267,472
Additions	-	-
Disposals	-	-
Balance as at 31 March 2023	267,472	267,472
Accumulated Depreciation		
Balance as at 01 April 2021	-	-
Charge for the year	-	-
Disposals	-	-
Balance as at 31 March 2022	-	-
Charge for the year	-	-
Disposals	-	-
Balance as at 31 March 2023	-	-
Carrying Amount:		
As at 31 March 2022	267,472	267,472
As at 31 March 2023	267,472	267,472
Fair Value (Refer Note (c) below)		
As at 31 March 2022		1,916,000
As at 31 March 2023		1,996,120

Notes:

(a) Investment property (Land) comprises of property of 13.88 acre of land.

(b) Amounts recognised in statement of profit and loss for investment property

	Year ended 31 March 2023	Year ended 31 March 2022
Rental income derived from investment properties	-	-
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Profit arising from investment properties before depreciation and indirect expenses	-	-
Less: Depreciation	-	-
Profit arising from investment properties	-	-

(c) **Restriction on realisability**

The Company has no restrictions on the realisability of its investment property.

(d) **Fair Value**

The fair value of investment property has been determined by external independent registered valuers as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the investment property annually.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The Company has adopted the Comparable Approach.

The direct comparison or comparable sale instances approach involves a comparison of the subject property to similar properties that have actually been sold in the vicinity or are offered for sale. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and are particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. A comparative matrix will be developed for similar instances with respect to comparable parameters. The instance most comparable in maximum number of parameters will be chosen for further processing. Subsequently, premium and/or discounting factors will be applied to opine on the Market Value (OMV). This approach is a fair estimate of the prevailing prices.

(e) The title deeds of the land are kept in the custody of debenture trustee for the Non-convertible debentures issued by the Holding Company.



Blue Lagoon Real Estate Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (cont'd)

(All amounts in ₹ thousands except otherwise stated)

	As at 31 March 2023	As at 31 March 2022
4 Other non current assets		
<i>Unsecured, considered doubtful</i>		
Advance against purchase of property	1,196	1,196
Less :- Provision for doubtful advances	(1,196)	(1,196)
	-	-
5 Cash and cash equivalents		
Balances with banks		
- In Current accounts	456	82
	456	82
6 Other financial assets		
<i>Unsecured, considered good</i>		
Security deposit	15	15
Other assets		
- to related parties (refer note 20)	-	108
	15	123

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Blue Lagoon Real Estate Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (cont'd)

(All amounts in ₹ thousands except otherwise stated)

7 Share capital

	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
Equity share capital				
Authorised share capital				
Equity shares of ₹ 10/- each	100,000	1,000	100,000	1,000
	100,000	1,000	100,000	1,000
Issued, subscribed and fully paid-up capital				
Equity shares of ₹ 10/- each	50,000	500	50,000	500
	50,000	500	50,000	500

(a) Share held by holding Company and shareholders holding more than 5% equity shares of the Company:

	As at 31 March 2023		As at 31 March 2022	
	Number	Percentage	Number	Percentage
Mac Charles (India) Limited	49,999	99.99%	49,999	99.99%
	49,999	99.99%	49,999	99.99%

(b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year is as given below:

	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
Equity share				
At the beginning of the year	50,000	500	50,000	500
Issued during the year	-	-	-	-
Outstanding at the end of the year	50,000	500	50,000	500

(c) Details of shareholding of Promoters:

	As at 31 March 2023		
	Number of shares	% of total % shares	% change during the year
Aditya Virwani	1	0.00%	-
	1	0.00%	-
	As at 31 March 2022		
	Number of shares	% of total % shares	% change during the year
Aditya Virwani	1	0.00%	-
	1	0.00%	-

(d) Rights, entitlements and obligations attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 10 each. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder's meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder's meeting.

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the 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.

(e) Buy back of equity shares and equity shares allotted by way of bonus shares or for consideration other than cash:

There have been no buy back of shares, issue of shares by way of bonus share or issue of share pursuant to contract without payment being received in cash for the period of five years immediately preceding the balance sheet date.

(f) Particulars of each class of shares held by holding, ultimate holding, subsidiaries or associates of the holding Company or the ultimate holding Company:

	As at 31 March 2023	As at 31 March 2022
Mac Charles (India) Limited (Holding Company)	49,999	49,999

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Blue Lagoon Real Estate Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (cont'd)

(All amounts in ₹ thousands except otherwise stated)

8 Other equity

	As at 31 March 2023	As at 31 March 2022
Accumulated deficit	(29,744)	(11,390)
Contribution from Holding Company	102,037	101,579
	<u>72,293</u>	<u>90,189</u>

Nature and purpose of other reserves:

Accumulated deficit:

The cumulative loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of accumulated deficit. At the end of the period, the loss is transferred from the statement of profit and loss to the accumulated deficit.

Contribution from Holding Company:

Represents the equity component of the loan in accordance with Ind As 109, received in the nature of inter corporate deposits by the Company from the Holding Company

9 Non-current borrowings

Unsecured:

-Loan from holding Company (Refer note 9(a))	194,678	176,428
	<u>194,678</u>	<u>176,428</u>

Note 9(a):

The Company had availed an Interest free loan facility of ₹ 300,000 during the financial year 2020-21 year from Mac Charles (India) Limited ("the Holding Company") for the purpose of working capital requirement. During the previous year, the interest free loan facility was revised to ₹ 600,000 and terms of loan was amended from repayable on demand to repayable after five years. Out of the total facility, ₹ 267,849 was withdrawn till previous year and an additional loan of ₹1,000 was availed during the year. Also refer note 20.

Note 9(b):

Reconciliation of movements of liabilities to cash flow arising from financing activities (Refer note 24b)

10 Trade payables

	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises (MSME). Refer note b).	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises.	432	432
	<u>432</u>	<u>432</u>

a) Outstanding for following periods from due date of payment

	Less than 1 year	1-2 years	2-3 years	Total
As at 31st March 2022				
Dues to micro enterprises and small enterprises	-	-	-	-
Dues to creditors other than micro enterprises and small enterprises	-	-	-	-
Accrued expense				432
As at 31st March 2023				
Dues to micro enterprises and small enterprises	-	-	-	-
Dues to creditors other than micro enterprises and small enterprises	-	-	-	-
Accrued expense				432

b) Dues to Micro, small and medium enterprises

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises as defined under Micro, small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2023 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act. Further in view of the Management, the impact of interest if any that may be payable in accordance with the provisions of the Act is not expected to be material.

11 Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Other payables (Refer note 20)	-	88
	<u>-</u>	<u>88</u>

12 Other current liabilities

Statutory dues payable	40	40
	<u>40</u>	<u>40</u>



Blue Lagoon Real Estate Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (cont'd)

(All amounts in ₹ thousands except otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
13 Other Income		
Liability no longer required written back	-	3,252
	-	3,252
14 Finance Costs		
Interest expense on loan(refer note 20)	17,707	10,159
	17,707	10,159
15 Other expenses		
Professional fees	172	136
Payment to auditor (refer note (i) below.)	472	472
Rates and taxes	3	8
	647	616
Note:		
(i) Auditor's remuneration (inclusive of GST)		
- for statutory Audit	472	472
	472	472

16 Contingent liabilities and commitments (to the extent not provided for)

There are no contingent liabilities and there are no contracts remaining to be executed on capital account and not provided for as at 31 March 2023 ₹ Nil (31 March 2022: ₹ Nil). Further, there are no commitments as on 31 March 2023 ₹ Nil.(31 March 2022: ₹ Nil)

17 Income taxes

a) The Company has not recognised income tax expense in the Statement of Profit and Loss and other comprehensive income during the year.

b) Reconciliation of effective tax rate

The major components of income-tax expense and the reconciliation of tax expense based on the effective tax rate of the Company at 26% and the reported tax expense in profit or loss are as follows :-

	Year ended 31 March 2023	Year ended 31 March 2022
Loss before Income tax	(18,354)	(7,523)
Income tax expense calculated at domestic tax rates applicable to profits (26%)	(4,772)	(1,956)
Effect of:		
Permanent difference on Ind AS adjustment	4,604	2,641
Disallowed expense /(income)	168	(685)
Income tax expense reported in the Statement of Profit and Loss	-	-

c) Unrecognised deferred tax assets

The Company has no unrecognised deferred tax assets.

d) Movement of deferred tax assets and liabilities

	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance	-	-
Write back for the year	-	-
Closing balance	-	-

18 Earnings per share (EPS)

The following reflects the profit and weighted average number of shares data used in the basic and diluted Earnings Per Share computation:

	Year ended 31 March 2023	Year ended 31 March 2022
Loss for the year for calculating basic and diluted earnings per share	(18,354)	(7,523)
Weighted average number of equity shares for calculating basic and diluted loss per share	50,000	50,000
Basic and diluted(₹)	(367.08)	(150.46)



Blue Lagoon Real Estate Private Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (cont'd)**

(All amounts in ₹ thousands except otherwise stated)

19 Segment Information

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating segments' operating results are reviewed by the Chief Operating Decision Maker (Board of Directors) to make decisions about resources to be allocated to the segments and assess their performance. The Company is primarily engaged in the business of real estate development (lease and sell of commercial /residential property). Further, the Company operates only in India. Accordingly, separate disclosures per the requirements of Ind AS 108, Operating Segments, are not considered necessary.

20 Related party transaction :**(a) Related parties with whom transactions have taken place during the year**

<u>Name of Related Party</u>	<u>Nature of Relationship</u>
Embassy Property Developments Private Limited	Ultimate Holding Company
Mac Charles (India) Limited	Holding Company
Neptune Real Estate Private Limited	Fellow Subsidiary
Mac Charles Hub Projects Private Limited	Fellow Subsidiary (From 06 January 2022)

(b) The following is a summary of related party transactions :

<u>Nature of transactions</u>	<u>Year ended 31 March 2023</u>	<u>Year ended 31 March 2022</u>
Loan taken from related parties*:		
- Mac Charles (India) Limited	1,000	600

(c) The following is a summary of balances receivable/payable from related parties :

	<u>As at 31 March 2023</u>	<u>As at 31 March 2022</u>
Other financial assets:		
-Neptune Real Estate Private Limited	-	108
Loan from related parties*:		
- Mac Charles (India) Limited	268,849	267,849
Other financial liabilities:		
- Embassy Property Developments Private Limited	-	74

* The transaction has been shown at gross basis and further, the accounting for loan from related party has been done as per Ind AS 109.

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Blue Lagoon Real Estate Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (cont'd)

(All amounts in ₹ thousands except otherwise stated)

21 Financial instruments

A. Accounting classification and fair value

The carrying value and fair value of financial instruments by categories are as below:

	As at 31 March 2023	As at 31 March 2022
Financial assets measured at amortised cost:		
<i>Current financial assets</i>		
- Cash and cash equivalents	456	82
- Other financial assets	15	123
	471	205
Financial liabilities measured at amortised cost:		
<i>Non-current financial liabilities</i>		
- Borrowings	194,677	176,428
<i>Current financial liabilities</i>		
- Trade payables	432	432
- Other financial liabilities	-	88
	195,109	176,948

B. Fair value hierarchy

	As at 31 March 2023	Fair value			Total
		Level 1	Level 2	Level 3	
<i>Current financial assets</i>					
- Cash and cash equivalents	456	-	-	-	-
- Other financial assets	15	-	-	-	-
Total	471	-	-	-	-
Financial liabilities measured at amortised cost:					
<i>Non-current financial liabilities</i>					
- Borrowings	194,677	-	-	-	-
<i>Current financial liabilities</i>					
- Trade payables	432	-	-	-	-
Total	195,109	-	-	-	-

The Company has not disclosed the fair values for financial instruments such as cash and cash equivalents, other current financial assets, borrowings, trade payables and other current liabilities because their carrying amounts are a reasonable approximation of fair value.

	As at 31 March 2022	Fair value			Total
		Level 1	Level 2	Level 3	
<i>Current financial assets</i>					
- Cash and cash equivalents	82	-	-	-	-
- Other financial assets	123	-	-	-	-
Total	205	-	-	-	-
Financial liabilities measured at amortised cost:					
<i>Non-current financial liabilities</i>					
- Borrowings	176,428	-	-	-	-
<i>Current financial liabilities</i>					
- Trade payables	432	-	-	-	-
- Other financial liabilities	88	-	-	-	-
Total	176,948	-	-	-	-

(This space has been intentionally left blank.)



Blue Lagoon Real Estate Private Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (cont'd)**

(All amounts in ₹ thousands except otherwise stated)

22 Financial Instruments - Risk Management

The Company's financial assets majorly comprise of cash equivalents and other financial assets. The Company's financial liabilities majorly comprises of borrowings and trade payables.

The Company is exposed to credit risk, liquidity risk and interest rate risk arising out of operations and the use of financial instruments. The Board of Directors have overall responsibility for establishment and review of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions affecting business operations and the Company's activities.

(a) Credit Risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or loans given leading to financial loss. Cash and Bank Deposits are placed with banks and financial institutions which are regulated. Management does not expect any of its counterparties to fail to meet its obligations.

(b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility.

The Company has a dedicated treasury management team on a group level which monitors on a daily basis the fund positions/requirements of the Company. The treasury management team plans the cash flows of the Company by planning and identifying future mismatches in funds availability and reports the planned and current liquidity position to the top management and Board of Directors of the Company.

Financing arrangements

The Company has undrawn borrowing facility at the end of the reporting period amounting to ₹ 331,151 as on 31 March 2023

Exposure to Liquidity Risk

The table below summarises the maturity profile of the Company's financial liabilities at the end of the reporting period based on contractual undiscounted cash flows:

31 March 2023	Carrying amount	Total	Less than 1 year	1 to 5 years	More than 5 years
Financial liabilities					
- Borrowings	194,677	268,849	-	268,849	-
- Trade payables	432	432	432	-	-
	195,109	269,281	432	268,849	-
31 March 2022	Carrying amount	Total	Less than 1 year	1 to 5 years	More than 5 years
Financial liabilities					
- Borrowings	176,428	267,849	-	267,849	-
- Trade payables	432	432	432	-	-
- Other financial liabilities	88	88	88	-	-
	176,948	268,369	520	267,849	-

23 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital. The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Adjusted equity comprises all components of equity. The Company's adjusted net debt to equity ratio at 31 March 2023 and 31 March 2022 was as follows:

Particulars	Year Ended	Year Ended
	31 March 2023	31 March 2022
Total liabilities	195,149	176,988
Less: Cash and cash equivalents	456	82
Net debt	194,693	176,906
Total equity	72,793	90,689
Gearing ratio	37.39%	51.26%



Blue Lagoon Real Estate Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (cont'd)
(All amounts in ₹ thousands except otherwise stated)

24 A) Ratios	Numerator	Denominator	31 March 2023	31 March 2022	Variance
Current ratio (Note 1)	Current Asset	Current Liabilities	1.00	0.37	100%
Debt equity ratio (Note 2)	Debt	Net worth	2.67	1.95	37%
Debt service coverage ratio (Note 3)	Profit before exception items, tax and finance cost	Finance cost + Principal repayment made for Non-current borrowings and Non-current lease liabilities.	(0.04)	0.26	100%
Return on equity (Note 4)	Profit after tax	Average Shareholders' funds (Total equity)	-25%	-8%	204%
Inventory turnover ratio	Sale of goods	Average Inventories of Finished stock	-	-	-
Trade receivables turnover ratio	Sale of goods	Average Gross Trade receivables (before provision)	-	-	-
Trade payables turnover ratio	Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories of finished goods, work-in-progress and stock- In-trade + Other expenses	Average Trade payables	-	-	-
Net capital turnover ratio	Sale of goods	Current assets less current liabilities (excluding current maturity of Noncurrent borrowing and non-current lease liabilities)	-	-	-
Net profit ratio	Net Profit for the period	Total Income	-	-	-
Return on capital employed (Note 5)	Profit before exceptional items, tax and finance cost	Networth + Debt + Deferred tax liability	-0.24%	1.00%	100%
Return on investment	Interest income from financial assets carried at amortised cost + Net gain on financial asset measured at fair value through profit and loss	Average (Non-current investments + Current investments + Non-current loans receivable + Current loans receivable - Investments in equity instruments of subsidiaries - Investments in preference shares of subsidiaries - Investments in debentures of subsidiaries)	-	-	-

B) Reconciliation of movements of liabilities to cash flow arising from financing activities

Particulars	Borrowings
Balance as at 01 April 2021	267,249
Proceeds from borrowings	600
Total changes from financing activities	600
Other changes:-	
IND AS 109 adjustment	(101,579)
Expense as per IND AS 109	10,159
Balance as on 31 March 2022	176,428
Proceeds from borrowings	1,000
Total changes from financing activities	1,000
Other changes:-	
IND AS 109 adjustment	(458)
Expense as per IND AS 109	17,707
Balance as at 31 March 2023	194,677



Blue Lagoon Real Estate Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023 (cont'd)

(All amounts in ₹ thousands except otherwise stated)

25 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 person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

26 Other Statutory Information

- a) The Company does not have any benami property, Where any proceeding has been initiated or pending against the Company for holding any benami property.
- b) The Company does not have any transactions with companies struck off.
- c) The Company does not have any charges or satisfaction which is yet to be registered With ROC beyond the Statutory period.
- d) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- e) The Company has not defaulted in repayment of loans, or other borrowings or payment of interest thereon to any lender.
- f) The Company has not been declared willful defaulter by any bank, financial institution, government or government authority.
- g) The Company has not revalued its property, plant and equipment (Including right -of - use assets) or intangible assets during the year ended 31 March 2023.

27 Additional information as required under paragraph 5 of Part II of the Schedule III to the Act, to the extent either "nil" or "not applicable" has not been furnished.

28 Previous year's comparatives have been regrouped / reclassified wherever necessary to conform to the current year's presentation.

The notes referred to above form an integral part of the Financial Statements

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013



Hemant Maheshwari
Partner
Membership Number: 096537

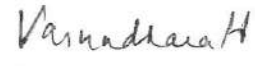
Bengaluru
23 May 2023

For and on behalf of the Board of Directors of
Blue Lagoon Real Estate Private Limited



Vijaya Kumar D
Director
DIN: 00036772

Bengaluru
23 May 2023



Vasundhara H
Director
DIN: 05151884

Bengaluru
23 May 2023

