

# 14<sup>th</sup> Annual Report of Neptune Real Estate Private Limited

**Registered office:** 1st Floor, Embassy Point,  
150 Infantry Road, Bangalore – 560001  
CIN- U70102KA2007PTC041412

Neptune Real Estate Private Limited: Embassy Point, 1<sup>st</sup> Floor, 150 Infantry Road, Bangalore – 560001

T: + 91 80 4179 9999; F: +91 80 2228 6912; [www.embassyindia.com](http://www.embassyindia.com)

CIN:U70102KA2007PTC041412

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Registered Office: Embassy Point, 1<sup>st</sup> Floor, 150 Infantry Road, Bangalore – 560001T: + 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	-	Additional Director

**Statutory Auditors:**

- M/s. Tarak Madhani Associates,  
Chartered Accountant,  
Firm Registration No.:114089W  
#15, 2nd Floor, Shreeji Arcade,  
Opp. Nitin Casting Co.  
Almeda Road,  
Panchpakhadi,  
Thane (west) – 400602

**Reg. office**

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

## NOTICE

**NOTICE** is hereby given that the 14<sup>th</sup> Annual General Meeting of the Members of Neptune Real Estate Private Limited will be held on Thursday, 30<sup>th</sup> July, 2020 at 11.30 A.M at the Registered Office of the Company at 1<sup>st</sup> Floor, Embassy Point, 150 Infantry Road, Bangalore – 560001 to transact the following business:

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### 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, 2020, 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.

### SPECIAL BUSINESS

#### **2. To regularize appointment of Mrs. Shaina Ganapathy as a Director retire by rotation**

To consider and if thought fit to pass with or without modification(s) the following resolution as an **ordinary resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 152, 161 and other applicable provisions of the Companies Act, 2013 and rules made thereunder and Articles of Association of the Company, Mrs. Shaina Ganapathy ( DIN 01777973) , who was appointed as an Additional Director with effect from 5<sup>th</sup> February, 2020, on the Board of the Company and who holds office up to the date of this Annual General Meeting and being eligible, offer herself for appointment and in respect of whom the Company has received a notice in writing from a Member, pursuant to the provisions of Section 160 of the Act, signifying their intention to propose the candidature of Mrs. Shaina Ganapathy for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation, with effect from the date of this Meeting”

3. **To appoint Mr. D. Vijayakumar, Director of the Company as Director liable to retire by rotation.**

To consider and if thought fit to pass with or without modification(s) the following resolution as an **ordinary resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152, 161 and other applicable provisions of the Companies Act, 2013 and rules made thereunder and Articles of Association of the Company, Mr. D. Vijayakumar (DIN 00036772), who was appointed as Director of the Company with effect from 27<sup>th</sup> September, 2017, be and is hereby appointed as a Director of the Company, liable to retire by rotation, with effect from the date of this Meeting”

4. **To appoint Mrs. Vasundhara H, Director of the Company as Director liable to retire by rotation.**

To consider and if thought fit to pass with or without modification(s) the following resolution as an **ordinary resolution**:

**RESOLVED THAT** pursuant to the provisions of Section 152, 161 and other applicable provisions of the Companies Act, 2013 and rules made thereunder and Articles of Association of the Company, Mrs. Vasundhara H ( DIN 05151884), who was appointed as Director of the Company with effect from 30<sup>th</sup> September, 2015 be and is hereby appointed as a Director of the Company, liable to retire by rotation, with effect from the date of this Meeting.”

**For Neptune Real Estate Private Limited**



**D. Vijayakumar**  
**Director**  
**DIN: 00036772**

**Date: 01.06.2020**  
**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.

**ANNEXURE I TO NOTICE**  
**EXPLANATORY STATEMENT**  
**PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying notice.

**Item no .2**

Mrs. Shaina Ganapathy (DIN-01777973) was appointed as an Additional Director of the Company with effect from 5<sup>th</sup> February, 2020 by the Board of Directors under Section 161 of the Act and as per the Articles of Association of the Company. In terms of Section 161(1) of the Act, Mrs. Shaina Ganapathy holds office only upto the date of the forthcoming Annual General Meeting but is eligible for appointment as a Director. A notice under Section 160(1) of the Act has been received from a Member signifying their intention to propose Mrs. Shaina Ganapathy appointment as a Director.

The Board of Directors thus recommends the Resolution at Item No. 2 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof other than Mrs. Shaina Ganapathy is concerned or interested in the Resolution at Item No. 2 of the Notice.

**Item no .3& 4**

Due to change in holding company during the year, i.e Embassy Property Developments Private Limited, which was holding 100% shareholding in the Company has transferred entire holding to Mac Charles ( India ) Limited, by which, status of the company has changed from Private Limited Company to deemed Public Limited Company. Therefore being deemed Public Limited Company, company has to comply certain provisions applicable to Public Limited Company, as part of that, it is proposed to appoint Mr. D.Vijayakumar ( DIN 00036772) who was appointed as directors not retire by rotation at the Annual General Meeting held on 27<sup>th</sup> September, 2017 and Mrs. Vasundhara H ( DIN 05151884), who was appointed as directors not retire by rotation at the Annual General Meeting held on 30<sup>th</sup> September, 2015 as Directors retire by rotation with effect from the date of ensuing Annual General Meeting.



The Board of Directors thus recommends the Resolution at Item No. 3 &4 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof other than Mr. D. Vijayakumar and Mrs. Vasundhara H are concerned or interested in the Resolution at Item No. 3 & 4 of the Notice.

**For Neptune Real Estate Private Limited**

**D.Vijayakumar**  
**Director**  
**DIN: 00036772**

**Date: 01.06.2020**  
**Place: Bangalore**



**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 : U70102KA2007PTC041412  
Name of the Company : NEPTUNE 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 14<sup>th</sup> Annual General Meeting of the company, to be held on Thursday, 30<sup>th</sup> July, 2020 at 11:30 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, 2020, 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 regularize appointment of Mrs. Shaina Ganapathy as a Director retire by rotation
3. To appoint Mr. D. Vijayakumar, Director of the Company as Director liable to retire by rotation
4. To appoint Mrs. Vasundhara H, Director of the Company as Director liable to retire by rotation

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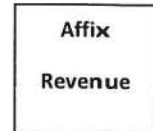
Registered Office: Embassy Point, 1<sup>st</sup> Floor, 150 Infantry Road, Bangalore – 560001T: + 91 80 4179 9999;F:+91 80 2228 6912



Signed this ..... day of ..... 2020

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**  
**NEPTUNE 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 14<sup>th</sup> Annual General Meeting of the Company held at 1st Floor, Embassy Point 150, Infantry Road, Bangalore-560001, on Thursday, 30<sup>th</sup> July, 2020 at 11:30 AM

Neptune Real Estate Private Limited: Embassy Point, 1<sup>st</sup> Floor, 150 Infantry Road, Bangalore – 560001

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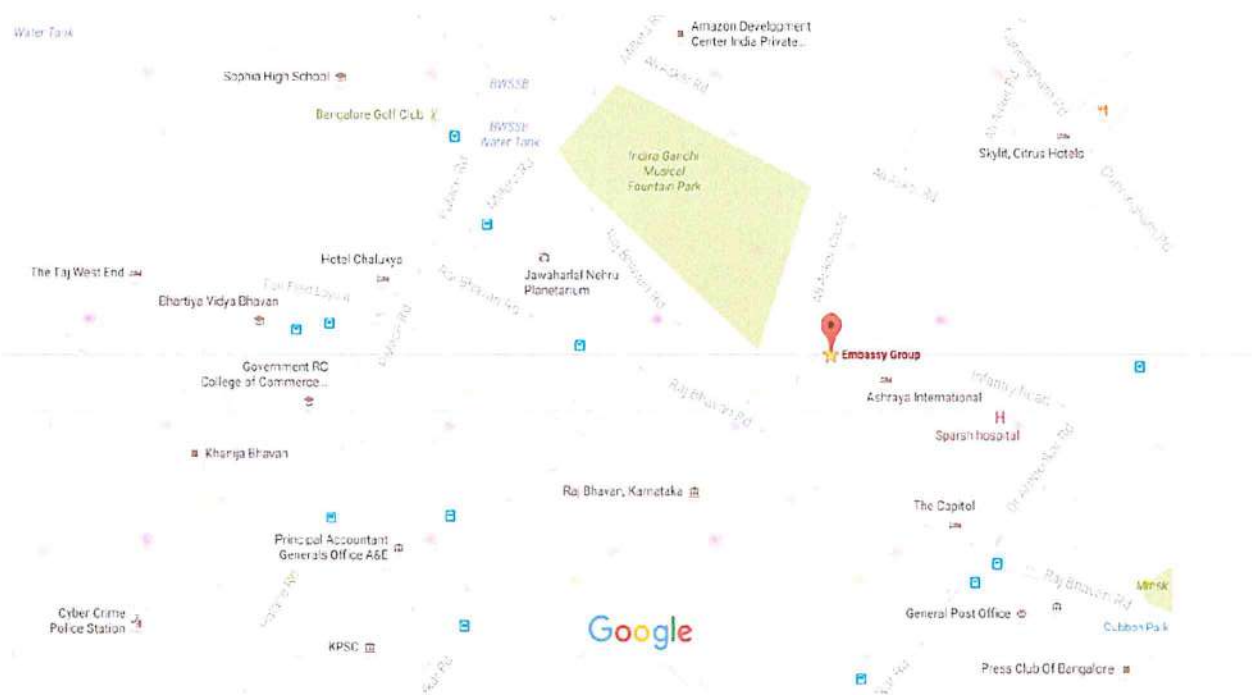
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**Annexure II to the Notice**

**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 14<sup>th</sup> Annual Report together with the the Audited Statement of Accounts of your Company for the Year ended March 31<sup>st</sup> 2020.

### 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 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
1.	Revenue from Operations	-	-
2.	Add: Other Income	-	-
3.	Less: Operating and other expenses	212.91	120532.12
4.	<b>Profit/(Loss) before finance cost, depreciation, amortization and tax ('PBITDA')</b>	(212.91)	(120532.12)
5.	Less: Finance Cost, depreciation and amortization	29,180.75	23,845.10
6.	<b>Profit/(Loss) before tax</b>	(29,393.66)	(1,44,377.22)
7.	<b>Current Tax and Deferred Tax</b>	7,579.91	5,998.36
8.	<b>Loss after tax</b>	(21,813.75)	(1,38,378.86)
9.	Other comprehensive income	-	-
10.	<b>Total Comprehensive Income for the year</b>	(21,813.75)	(1,38,378.86)
11.	<b>Earnings per shares- Basic and diluted</b>	(436.28)	(2,767.58)

### 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 31<sup>st</sup> March, 2020.

The Company did not have any operating revenues during the year under review and the Company had a loss after tax of Rs. 2,18,13,750 which is basically the operating expenses of the Company

### 3. MEETINGS OF BOARD OF DIRECTORS

Five Board Meetings were held during the Financial Year ended March 31, 2020 i.e.

First Quarter (April to June)	Second Quarter (July to Sept)	Third Quarter (Oct to Dec)	Fourth Quarter (Jan to March)	Total Board Meetings
22.04.2019	12.07.2019 05.08.2019	05.11.2019	05.02.2020	<b>05 (Five)</b>

The maximum gap between any two Board Meetings was less than one Hundred and Twenty days.

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

Name of Directors	Number of Meetings attended/ Total Meetings held during the F.Y. 2019-20
Mr. D.Vijayakumar	5
Mrs. Vasundhara H	5
Mrs. Shaina Ganapathy	0

### 4. DETAILS OF FRAUD REPORT BY AUDITOR

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

### 5. AUDITORS

#### a. Statutory Auditors

The Auditors, M/s Tarak Madhani Associates, Chartered Accountants, were appointed as Statutory Auditors for a period of 5 years in the 13<sup>th</sup> Annual General Meeting (AGM) held on 6<sup>th</sup> August, 2019 to hold office until the conclusion of 18<sup>th</sup> Annual General Meeting.

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 grant any loan made any Investment, given guarantee and securities during the year under review. Therefore no need to comply provisions of section 185 & 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, 2020 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 Accounting Standard -18 Related Party Disclosures is given in Note no 23 to the Balance Sheet as on 31st March, 2020 are given in AOC-2 as Annexure I.

9. WEB LINK OF ANNUAL RETURN

The Company doesn't having any website. Therefore, no need to of publication of Annual Return.

The extract of annual return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished as **Annexure II** and attached to this report.

#### **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, 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

During the year under review , i.e Embassy Property Developments Private Limited, which was holding 100% shareholding in the Company has transferred entire holding to Mac Charles ( India ) Limited, by which, status of the company has changed from Private Limited Company to deemed Public Limited company.

#### **13. 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

<b>A. CONSERVATION OF ENERGY</b>		
<b>SL.NO</b>	<b>PARTICULARS</b>	
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>B. TECHNOLOGY ABSORPTION</b>		
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 <ul style="list-style-type: none"> <li>• (a) The details of technology imported;</li> <li>• (b) The year of import;</li> <li>• (c) Whether the technology been fully absorbed.</li> <li>• (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and</li> </ul>	The Company has not imported any technology during the year
4	The expenditure incurred on Research and Development	Nil
<b>C. FOREIGN EXCHANGE EARNINGS AND OUTGO</b>		
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



#### **14. 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.

#### **15. 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.

#### **16. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES**

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.

#### **17. HOLDING COMPANY**

During the year under review , Embassy Property Developments Private Limited, which was holding 100% shareholding in the Company has transferred entire holding to Mac Charles ( India ) Limited, by which, status of the company has changed from Private Limited Company to deemed Public Limited company and Mac charles ( India) Limited is the holding company of the Company.

#### **18. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

During the year under review, Ms. Shaina Ganapathy has appointed as a Additional Director on the Board.

Detail of Board of Directors as on 31.03.2020 are as follows:

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

The above said directors are proposed to be appointed as Directors retire by rotation with effect from the date of ensuing annual general meeting.

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 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, your 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 in specified format 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. 2019-20

**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, 2020, 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 31,2020 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 the Company.

### **34. 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: 01.06.2020**  
**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.)
Embassy Property Developments Pvt Ltd	Loan from Related Parties	On going	Rs. (2,37,408.88)	5 <sup>th</sup> February, 2020	Nil
- Mac Charles (India) Limited Holding Company	Loan from Related Parties	One time	Rs. 2,41,164.79	5 <sup>th</sup> February, 2020	Nil
Embassy Property Developments Pvt Ltd	Notional Interest Expense	On going	Rs. 29,180.75	5 <sup>th</sup> February, 2020	Nil
Embassy Property Developments Pvt Ltd	Reimbursement of expenses	One time	Rs.15.50	5 <sup>th</sup> February, 2020	Nil

**For and on behalf of the Board of Directors**

**Place: Bangalore**

**Date: 01.06.2020**

  
**D Vijayakumar**  
Director  
DIN: 00036772

  
**Vasundhara Harshavardhan**  
Director  
DIN: 05151884



**Annexure II to Boards' Report**

FORM MGT-9

**EXTRACT OF ANNUAL RETURN**

**For the financial year ended on 31.03.2020**

*Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014*

**1. REGISTRATION & OTHER DETAILS**

1.	CIN	U70102KA2007PTC041412
2.	Registration Date	08/01/2007
3.	Name of the Company	NEPTUNE REAL ESTATE PRIVATE LIMITED
4.	Category/Sub-category of the Company	-
5.	Address of the Registered office & contact details	Ist Floor, Embassy Point, No 150, Infantry Road, Bangalore – 560001
6.	Whether listed Company	NO
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. C-101, 247 Park, LBS MARG, Vikhroli (WEST) Mumbai– 400083

**2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the	% to total turnover of the
1.	Real estate activities with own or leased property	68100	100%

Neptune Real Estate Private Limited: Embassy Point, 1<sup>st</sup> Floor, 150 Infantry Road, Bangalore – 560001

T: + 91 80 4179 9999; F: +91 80 2228 6912; [www.embassyindia.com](http://www.embassyindia.com)

CIN:U70102KA2007PTC041412

Registered Office: Embassy Point, 1<sup>st</sup> Floor, 150 Infantry Road, Bangalore – 560001T: + 91 80 4179 9999;F:+91 80 2228 6912

### 3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held By The Holding Company	Applicable Section
1	Mac Charles( India) Limited 28, Sankey Road Bangalore-560052	L55101KA1979PLC003620	Holding Company	100%*	2(46)

\*Mr. Aditya Virwani, shareholder of the Company holding 0.01 % of the share capital has transferred beneficial interest to Mac charles ( India) Limited

### 4. SHARE HOLDING PATTERN

#### (i) Shareholding of Promoters:

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Embassy Property Developments Pvt Ltd	49,999	99.99 %	-	NIL	NIL	-	100%
2.	Embassy Property Developments Pvt Ltd jointly with	1	0.01%	-	NIL	NIL	-	100%



Jitendra Virwani								
Mac Charles(India) Limited	NIL	NIL	-	49999	99.99	-		100%
Mr Aditya Virwani	NIL	NIL	-	1	0.01*	-		100%
<b>Total</b>	<b>50,000</b>	<b>100.00</b>	<b>-</b>	<b>50,000</b>	<b>100.00</b>	<b>-</b>		<b>100%</b>

\* transferred his beneficial interest to Mac Charles (India) Limited

**(ii) Change in Promoters' Shareholding (please specify, if there is no change):**

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. Of shares	% of total shares of the Company	No. Of shares	% of total shares of the Company
1	Embassy Property Developments Pvt Ltd	49,999	99.99%	Nil	Nil
2	Embassy Property Developments Pvt Ltd jointly with Jitendra Virwani	1	0.01%	Nil	Nil
3.	Mac Charles( India) Limited	Nil	Nil	49,999	99.99%
4	Mr. Aditya Virwani*	Nil	Nil	1	0.01%

\*transferred his beneficial interest to Mac Charles (India) Limited

**(iii) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs)**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding at the End of the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company

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-	-	-	-	-
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**(iv) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year	-			-

**5. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Nil**

**B. Remuneration to other directors: Nil**

SN.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (1)		
2	Other Non-Executive Directors		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		

Total (2)			
Total (B)=(1+2)			
Total Managerial Remuneration			
Overall Ceiling as per the Act			

**C. Remuneration to Key Managerial Personnel other than MD/Manager/ WTD: NIL**

**6. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**


Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

for and on behalf of the Board of Directors of

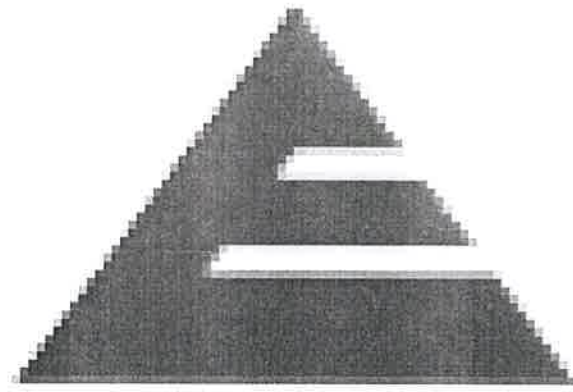
**Neptune Real Estate Private Limited**



**D Vijayakumar**  
**Director**  
DIN: 00036772  
Place: Bangalore  
Date: 01.06.2020



**Vasundhara Harshavardhan**  
**Director**  
DIN: 05151884  
Place: Bangalore  
Date: 01.06.2020



EMBASSY

*Neptune Real Estate Private  
Limited*

*Annual Report*

*Accounting Year  
2019-20*

# Tarak Madhani Associates

Chartered Accountants

Registered Office : # 15, 2nd Floor, Shreeji Arcade, Opp. Nitin Casting Co., Almeda Road, Panchpakhadi, Thane (West) - 400 602  
Ph : +91-22-25342900 Fax : +91-22-25402919 E-mail : tarak@finmancapital.com

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## Independent Auditors' Report

To the Members of *Neptune Real Estate Private Limited*

### Report on the Financial Statements:

#### Opinion:

We have audited the accompanying financial statements of *Neptune Real Estate Private Limited* (hereinafter referred to as "*the Company*"), which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "*the financial statements*").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as "*the Act*") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended (hereinafter referred to as "*Ind AS*") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss, the changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (hereinafter referred to as "*SAs*") specified under Sub-section (10) of Section 143 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 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.



## **Responsibility of Management and those charged with Governance for the Financial Statements:**

The Board of Directors of the Company is responsible for the matters stated in Sub-section (5) of Section 134 of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an Auditors' 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. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.



We also:

- (1) 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.
- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- (4) Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' 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 Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (5) 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.





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

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

## Report on Other Legal and Regulatory Requirements:

- (1) As required by the Companies (Auditors' Report) Order, 2016 (hereinafter referred to as "*the Order*") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure I, statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by sub-section (3) of Section 143 of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this report are in agreement with the books of accounts;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
  - (e) On the basis of written representations received from the Directors, as on March 31, 2020 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2020 from being appointed as a Director in terms of sub-section (2) of Section 164 of the Act;



- (f) With respect to the adequacy of the Internal Financial Controls Over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure -II'.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors') Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would materially impact its financial position;
  - (ii) No provisions were required to be made under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Tarak Madhani Associates

Chartered Accountants

(Firm Registration Number: 114089W)



(Tarak B Madhani)

Proprietor

Membership Number: 037793

UDIN: [20037793AAAAAL9927]



Thane, 1 June 2020

## Annexure I to the Independent Auditors' Report

Annexure I referred to in the Independent Auditors' Report to the Members of Neptune Real Estate Private Limited (hereinafter referred to as '*the Company*') for the year ended March 31, 2020.

We report that:

- (i) The Company currently does not have any fixed assets. Accordingly, paragraph 3 (i) of the Order is not applicable;
- (ii) The Company does not hold/ carry any inventory. Accordingly, paragraph 3 (ii) of the Order is not applicable;
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii) of the Order is not applicable;
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees, and security;
- (v) According to the information and explanations given to us, the Company has not accepted any public deposits within the meaning of directives issued by Reserve Bank of India and Sections 73 to 76 or any other relevant provisions of the Act and Rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable;
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of activities carried on by the Company. Accordingly, paragraph 3 (vi) of the Order is not applicable;
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Good and Service Tax, Custom Duty, Cess and other material statutory dues, if any, applicable to it with the appropriate authorities;



- (b) There were no dues of Provident fund, Employees State Insurance, Income Tax, Goods and Service Tax, Custom Duty and Cess and other material statutory dues which have not been deposited on account of any dispute;
- (viii) In our opinion and according to the information and explanations given to us, the Company has not taken any loans or borrowings from any financial institution, banks, government or in the form of debentures. Accordingly, paragraph 3 (viii) of the Order is not applicable;
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, paragraph 3 (ix) of the Order is not applicable;
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year;
- (xi) According to the information and explanations given to us and based on examination of the records of the Company, no managerial remuneration has been paid which requires approval as mandated by the provisions of Section 197 read with Schedule V to the Act;
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable;
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statements as stipulated under the applicable accounting standards;
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph (xiv) of the Order is not applicable



# Tarak Madhani Associates

Chartered Accountants

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- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable;
- (xvi) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable.

For Tarak Madhani Associates

Chartered Accountants

(Firm Registration Number: 114089W)



(Tarak B Madhani)

Proprietor

Membership Number: 037793

UDIN: [20037793AAAAAL9927]



Thane, 1 June 2020

## Annexure II to the Independent Auditor's Report

Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (hereinafter referred to as "*the Act*")

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### Opinion:

We have audited the internal financial controls over financial reporting of *Neptune Real Estate Private Limited* (hereinafter referred to as "*the Company*") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (hereinafter referred to as "*ICAI*").

### Management's Responsibility for Internal Financial Controls:

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



## **Auditor's Responsibility:**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI, deemed to be prescribed as per sub-section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

## **Meaning of Internal Financial Controls System Over Financial Reporting:**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisation 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 System Over Financial Reporting:**

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

**For Tarak Madhani Associates**

**Chartered Accountants**

**(Firm Registration Number: 114089W)**



**(Tarak B Madhani)**

**Proprietor**

**Membership Number: 037793**

**UDIN: [20037793AAAAAL9927]**



**Thane, 1 June 2020**




## Balance Sheet as at 31 March 2020

Particulars	Note	As at	As at
		31.03.2020 (Value in '000)	31.03.2019 (Value in '000)
<b>Assets</b>			
<b>Non-Current Assets</b>			
Investment Property	3	1,16,797.59	1,16,797.59
Other Non Financial Assets	4	2,817.29	-
		<u>1,19,614.88</u>	<u>1,16,797.59</u>
<b>Current Assets</b>			
<b>Financial Assets</b>			
- Cash and Cash Equivalents	5	820.09	23.28
- Other Financial Assets	6	15.00	15.00
		<u>835.09</u>	<u>38.28</u>
		<u><u>1,20,449.97</u></u>	<u><u>1,16,835.87</u></u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	7	500.00	500.00
Other Equity		(1,21,701.29)	(99,887.54)
		<u>(1,21,201.29)</u>	<u>(99,387.54)</u>
<b>Non Current Liabilities</b>			
<b>Financial Liabilities</b>			
- Borrowings	8	-	2,08,228.13
Deffered Tax Liabilities	9	-	7,579.91
		<u>-</u>	<u>2,15,808.04</u>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
- Borrowings	10	2,41,164.79	-
- Trade Payables	11		
Total Outstanding Dues to Micro, Small and Medium Enterprises		-	-
Total Outstanding Dues to Other then to Micro, Small and Medium Enterprises		286.96	286.98
- Other Financial Liabilities	12	140.50	10.38
Other Non Financial Liabilities	13	5.00	10.00
Short Term Provisions	14	54.00	108.00
		<u>2,41,651.25</u>	<u>415.36</u>
		<u><u>1,20,449.97</u></u>	<u><u>1,16,835.87</u></u>
Significant Accounting Policies	1 to 2		
Notes on Financial Statements	3 to 30		

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

As per our Report attached  
For Tarak Madhani Associates  
Chartered Accountants



(Tarak B Madhani)

Proprietor

Membership Number: 037793



For and on Behalf of the Board



(Vijaya Kumar D)

Director

DIN: 00036772



(Vasundhara H)

Director

DIN: 05151884

Thane, 01 June 2020

Bengaluru, 01 June 2020

Statement of Profit & Loss for the Year Ended 31 March 2020

Particulars	Note	Year Ended 31.03.2020 (Value in '000)	Year Ended 31.03.2019 (Value in '000)
<b>Expenses</b>			
Finance Costs	15	29,180.75	23,845.10
Other Expenses	16	212.91	1,20,532.12
		<u>29,393.66</u>	<u>1,44,377.22</u>
<b>Loss Before Tax</b>		<b>29,393.66</b>	<b>1,44,377.22</b>
<b>Tax Expense</b>			
Deferred Tax		7,579.91	5,998.36
		<u>21,813.75</u>	<u>1,38,378.86</u>
<b>Loss After Tax for the Year</b>		<b>(21,813.75)</b>	<b>(1,38,378.86)</b>
<b>Other Comprehensive Income (OCI)</b>		-	-
<b>Total Comprehensive Income for the Year</b>		<b>(21,813.75)</b>	<b>(1,38,378.86)</b>
<b>Earning Per Share (Equity Shares, Par Value of ` 10 each)</b>			
Basic and diluted		(436.28)	(2,767.58)
<b>Significant Accounting Policies</b>	1 to 2		
<b>Notes on Financial Statements</b>	3 to 30		

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

As per our Report attached  
For Tarak Madhani Associates  
Chartered Accountants



(Tarak B Madhani)  
Proprietor  
Membership Number: 037793

For and on Behalf of the Board

(Vijaya Kumar D)  
Director  
DIN: 00036772

(Vasundhara H)  
Director  
DIN: 05151884

Thane, 01 June 2020

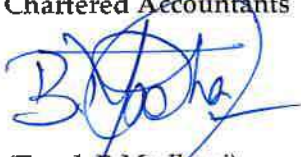
Bengaluru, 01 June 2020

Cash Flow Statement for the Year Ended 31 March 2020

Particulars	Year Ended 31.03.2020 (Value in '000)	Year Ended 31.03.2019 (Value in '000)
<b>(A) Cash Flow from Operating Activities:</b>		
Profit / (Loss) Before Tax	(29,393.66)	(1,44,377.22)
<b>Adjustments:</b>		
- Interest Expense	29,180.75	23,845.10
- Provision for Doubtful Advances	-	1,20,333.55
<b>Operating Cash Flow before Working Capital Changes</b>	<b>(212.91)</b>	<b>(198.57)</b>
<b>Changes in</b>		
- Trade Payables and Other Liabilities and Provisions	71.10	45.20
- Other Financial Assets	(2,817.29)	(15.00)
<b>Cash (used in)/ generated from Operations</b>	<b>(2,959.10)</b>	<b>(168.37)</b>
<b>Net Cash generated (used in) Operating Activities</b>	<b>(2,959.10)</b>	<b>(168.37)</b>
<b>(B) Cash Flow from Financing Activities:</b>		
Proceeds from Borrowing	2,41,164.79	59.81
Repayment of Borrowings	(2,37,408.88)	-
<b>Net Cash generated from Financing Activities</b>	<b>3,755.91</b>	<b>59.81</b>
<b>Net (Decrease)/ Increase in Cash and Cash Equivalents</b>	<b>796.81</b>	<b>(108.56)</b>
<b>Cash and Cash Equivalents at the beginning of the Year</b>	<b>23.28</b>	<b>131.84</b>
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>820.09</b>	<b>23.28</b>

Cash and Cash Equivalents are Cash and Bank balances as mentioned in Note 19

As per our Report attached  
For Tarak Madhani Associates  
Chartered Accountants

  
(Tarak B Madhani)  
Proprietor



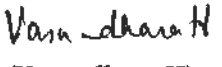
Membership Number: 037793

Thane, 01 June 2020

For and on Behalf of the Board

  
(Vijaya Kumar D)

Director  
DIN: 00036772

  
(Vasundhara H)

Director  
DIN: 05151884

Bengaluru, 01 June 2020

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Notes to Financial Statements for the Year Ended 31 March 2020

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**Note 1: Company Overview**

Neptune Real Estate Private Limited ('the Company') was incorporated on 8 January 2007. The Company has been formed primarily for carrying on business of real estate development.

**Note 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 INR and all values are rounded to the nearest thousand, except when otherwise stated.

**2.02 Use of Estimates**

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.

**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

There is no unconditional right to defer the settlement of the liability for at least twelve months after the

*The Company classifies all other liabilities as non-current.*

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

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU's exceeds its recoverable amount, the asset is considered impaired and is written down to arrive at its recoverable amount. 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. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's CGU's to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount.



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**Notes to Financial Statements for the Year Ended 31 March 2020**

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A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal 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. Life time 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 are recognised in the Statement of Profit and Loss in the period in which they are incurred, except where the cost is incurred during the construction of an asset that takes a substantial period to get ready for its intended use in which case it is capitalised. 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.

*Dividends*

Dividends is recognised when the Company's right to receive the payment is established, which is generally when shareholders of the Investee Company approve the dividend.

**2.08 Foreign Currency**

*Functional Currency*

The Company's financial statements are presented in INR, which is also the Company's functional currency.



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Notes to Financial Statements for the Year Ended 31 March 2020

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*Transactions and Balances*

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss with the exception of exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of foreign operations. These are recognised in Other Comprehensive Income until the net investment is disposed of, at which time, the cumulative amount is reclassified to Statement of Profit and Loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in Other Comprehensive Income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with recognition of the gain or loss on the change in fair value of the item.

## 2.09 Income Taxes

*Current Income 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 in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- (a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in transaction that is not a business combination and, at the time of the transaction, affects neither the accounting Profit nor taxable Profit or Loss.
- (b) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.



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Notes to Financial Statements for the Year Ended 31 March 2020

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Deferred Tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred Tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- (a) When the Deferred Tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting Profit nor taxable Profit or Loss;
- (b) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, Deferred Tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable Profit will be available against which the temporary differences can be utilized.

The carrying amount of Deferred Tax assets is reviewed at each reporting date and reduced to the extent that 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 realized 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 Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in the Other Comprehensive Income or in the Equity). Deferred Tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in Equity.

Deferred Tax assets and Deferred Tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Taxes related to the same taxable entity and the same taxation authority.

## 2.10 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.

## 2.11 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.





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Notes to Financial Statements for the Year Ended 31 March 2020

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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.

#### 2.12 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.

#### 2.13 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.

#### 2.14 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.

#### 2.15 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.



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Notes to Financial Statements for the Year Ended 31 March 2020

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*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.

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) Equity Investments*

All equity investments with the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as Financial Assets at fair value through Statement of Profit and Loss. Equity instruments included within the Financial Assets at fair value through Statement of Profit and Loss category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

*(v) 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.



**Notes to Financial Statements for the Year Ended 31 March 2020**

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.

*Reclassification of Financial Assets*

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including

The following table shows various reclassifications and how they are accounted for:

Original Classification	Revised Classification	Accounting Treatment
Amortized cost	Financial Assets at fair value through Statement of Profit and Loss	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in Statement of Profit and Loss.
Financial Assets at fair value through Statement of Profit and Loss	Amortized cost	Fair value at reclassification date becomes its new gross carrying amount. Effective Interest Rate is calculated based on the new gross carrying amount.
Amortized cost	Financial Assets at fair value through Other Comprehensive Income	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in Other Comprehensive Income. No change in Effective Interest Rate due to reclassification.
Financial Assets at fair value through Other Comprehensive Income	Amortized cost	Fair value at reclassification date becomes its new amortized cost carrying amount. However, cumulative gain or loss in Other Comprehensive Income is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortized cost.
Financial Assets at fair value through Statement of Profit and Loss	Financial Assets at fair value through Other Comprehensive Income	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.



Notes to Financial Statements for the Year Ended 31 March 2020

Financial Assets at fair value through Other Comprehensive Income	Financial Assets at fair value through Statement of Profit and Loss	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified to Statement of Profit and Loss at the reclassification date.
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*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.

**2.16 Share Capital**

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognised as a deduction from equity, net of any tax effects.

**2.17 Recent Accounting Pronouncements (Standards issued but not yet effective)**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.



Notes to Financial Statements as at 31 March 2020

(Value in '000)

Particulars	As at 31.03.2020	As at 31.03.2019
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Note 3: Investment Property

Particulars		
<b>Cost or Deemed Cost</b>		
Balance b/f	1,16,797.59	1,16,797.59
Additions	-	-
Disposals	-	-
<b>Balance c/f</b>	<b>1,16,797.59</b>	<b>1,16,797.59</b>
<b>Accumulated Depreciation</b>		
Balance b/f	-	-
Charge for the year	-	-
Disposals	-	-
<b>Balance c/f</b>	<b>-</b>	<b>-</b>
<b>Carrying Amount:</b>		
As at 31 March	<b>1,16,797.59</b>	<b>1,16,797.59</b>
<b>Fair Value (Refer Note (c) below)</b>		
As at 31 March	<b>7,71,820.61</b>	<b>7,41,557.14</b>

Notes:

(a) Amounts Recognised in Statement of Profit and Loss for Investment Property

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	-	-
<b>Profit Arising from Investment Properties</b>	<b>-</b>	<b>-</b>

(b) Restriction on Realisability

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



(c) Fair Value

The fair value of investment property has been determined by external, independent property valuers, 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.



Notes to Financial Statements as at 31 March 2020

Particulars	(Value in '000)	
	As at 31.03.2020	As at 31.03.2019
<b>Note 4: Other Non Financial Assets</b>		
<i>Unsecured, considered good</i>		
Advance Against Purchase of Property	1,20,331.05	1,20,331.04
Other Advances	2,819.78	2.50
	<u>1,23,150.83</u>	<u>1,20,333.54</u>
Provision for Doubtful Advances	(1,20,333.54)	(1,20,333.54)
	<u>2,817.29</u>	<u>-</u>
<b>Note 5: Cash and Cash Equivalents</b>		
<b>Cash and Bank Balances</b>		
Balances with Banks		
- On Current Accounts	820.09	23.28
	<u>820.09</u>	<u>23.28</u>
<b>Note 6: Other Financial Assets</b>		
<i>Unsecured, considered good</i>		
Security Deposit	15.00	15.00
	<u>15.00</u>	<u>15.00</u>
<b>Note 7: Equity Share Capital</b>		
<b>Authorised</b>		
100,000 (100,000) Equity Shares of ` 10/- each	1,000.00	1,000.00
	<u>1,000.00</u>	<u>1,000.00</u>
<b>Issued, Subscribed and Fully Paid-Up Capital</b>		
50,000 (50,000) Equity Shares of ` 10/- each	500.00	500.00
	<u>500.00</u>	<u>500.00</u>

(a) Shareholders holding more than 5 percent Equity Shares of the Company:

Name of the Share Holder	As at 31.03.2020		As at 31.03.2019	
	No of Shares	% holding	No. of Shares	% holding
Embassy Property Developments Pvt Ltd	-	0.00%	49,999	99.99%
Mac Charles (India) Limited	49,999	99.99%	-	0.00%
	<u>49,999</u>	<u>99.99%</u>	<u>49,999</u>	<u>99.99%</u>

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



Notes to Financial Statements as at 31 March 2020

Particulars	(Value in '000)	
	As at 31.03.2020	As at 31.03.2019
Particulars	As at 31.03.2020	As at 31.03.2019
	No. of Shares	Value in '000
At the beginning of the year	50,000	500.00
Issued during the year	-	-
Outstanding at the end of the year	50,000	500.00

(c) 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 shareholders' meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders' 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.

(d) 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.

Note 8: Borrowings

Unsecured:

Loans and Advances from Related Parties

- From Holding Company

	-	2,08,228.13
	<u>-</u>	<u>2,08,228.13</u>

Note 9: Deferred Tax Liabilities (Net)

Deferred Tax Liability

Balance B/f

Provision/ (Write back) during the year

Balance C/f

	7,579.91	13,578.27
	(7,579.91)	(5,998.36)
	<u>-</u>	<u>7,579.91</u>

Note 10: Borrowings

Unsecured:

Loans and Advances from Related Parties

- From Holding Company

	2,41,164.79	-
	<u>2,41,164.79</u>	<u>-</u>





Notes to Financial Statements as at 31 March 2020

Particulars	(Value in '000)	
	As at 31.03.2020	As at 31.03.2019
<b>Note 11: Trade Payables</b>		
Total Outstanding Dues to Micro, Small and Medium Enterprises	-	-
Total Outstanding Dues to Other than to Micro, Small and Medium Enterprises	286.96	286.98
	286.96	286.98

All trade payables are 'current'.

The Company's exposure to currency and liquidity risks related to trade payables are disclosed in note 25.

**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 2020 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.

The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;

(a) (i) Principal	-	-
(ii) Interest	-	-
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;		
(i) Interest	-	-
(ii) Payment	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-



Notes to Financial Statements as at 31 March 2020

Particulars	(Value in '000)	
	As at 31.03.2020	As at 31.03.2019
<b>Note 12: Other Financial Liabilities</b>		
Creditors for Revenue Expenditure	27.00	10.38
Others	113.50	-
	<u>140.50</u>	<u>10.38</u>
<b>Note 13: Other Non Financial Liabilities</b>		
Statutory Dues	5.00	10.00
	<u>5.00</u>	<u>10.00</u>
<b>Note 14: Short Term Provisions</b>		
For Expenses	54.00	108.00
	<u>54.00</u>	<u>108.00</u>



**Notes to Financial Statements for the Year Ended 31 March 2020**

Particulars	(Value in '000)	
	Year Ended 31.03.2019	Year Ended 31.03.2019
<b>Note 15: Finance Costs</b>		
Interest Expense	29,180.75	23,845.10
	<u>29,180.75</u>	<u>23,845.10</u>
<b>Note 16: Other Expenses</b>		
Audit Fees	147.50	118.00
Rates & Taxes	23.60	1.55
Professional Fees	37.27	62.20
Traveling expenses	-	13.51
Filing Fees	2.04	0.81
Profession Tax	2.50	2.50
Provision for Doubtful Advances	-	1,20,333.55
	<u>212.91</u>	<u>1,20,532.12</u>



Statement of Changes in Equity

(A) Equity Share Capital

For the Year Ended 31 March 2020

Particulars	(Value in '000)
<i>Equity Shares of ` 10 each issued, subscribed and fully paid up</i>	
Balance as at 1 April 2018	500.00
Changes in Equity Share Capital during the Year 2018-19	-
Balance as at 31 March 2019	500.00
Changes in Equity Share Capital during the Year 2019-20	-
Balance as at the 31 March 2020	500.00

(B) Other Equity

For the Year Ended 31 March 2020

Particulars	Other Equity	Retained Earnings	Total Other Equity
Balance as at 1 April 2018	75,820.54	(37,329.21)	38,491.33
Profit / (Loss) for the Year 2018-19	-	(1,38,378.86)	(1,38,378.86)
Balance as at 31 March 2019	75,820.54	(1,75,708.07)	(99,887.54)
Profit / (Loss) for the Year 2019-20	-	(21,813.75)	(21,813.75)
Balance as at the 31 March 2020	75,820.54	(1,97,521.82)	(1,21,701.29)

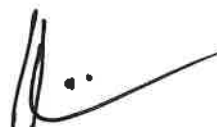
As per our Report attached  
For Tarak Madhani Associates  
Chartered Accountants

  
(Tarak B Madhani)

Proprietor

Membership Number: 037793





(Vijaya Kumar D)

Director

DIN: 00036772

For and on Behalf of the Board



(Vasundhara H)

Director

DIN: 05151884

Thane, 01 June 2020

Bengaluru, 01 June 2020

Notes to Financial Statements for the Year Ended 31 March 2020

(Value in '000)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
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**Note 17: Contingent Liabilities, Capital and other Commitments**

There are no contingent liabilities and there are no contracts remaining to be executed on capital account and not provided for as at the balance sheet date (' Nil). Further, there are no commitments as on 31 March 2020 (' Nil).

**Note 18: Reconciliation of Tax Expense and the Accounting Profit multiplied by India's Domestic Tax Rate:**

Accounting Profit / (Loss) Before Income Tax	(29,393.66)	(1,44,377.22)
Tax at per Indian tax rate of 26% (31 March 2019 : 26%)	(7,642.35)	(37,538.08)
<b>Effect of:</b>		
Impact on Non-Deductible Expenses for Tax Purposes and differential tax rates	62.44	31,539.72
	<b>(7,579.91)</b>	<b>(5,998.36)</b>
Income Tax expense reported in the Statement of Profit and Loss	<b>(7,579.91)</b>	<b>(5,998.36)</b>

**Note 19: Cash and Cash Equivalents :**

Cash and Cash Equivalents consist of cash in hand and balance with Scheduled Banks. Cash and Cash equivalents included in the cash flow statement comprises of the following balance sheet amounts:

Balances with Scheduled Bank on Current Accounts	820.09	23.28
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**Note :**

Cash on hand balance is maintained at the level as at year end so as to fund business operations as well as business contingencies in addition to normal expenses, which is always under strict monitoring and intended to be reduced to risk free levels.

**Note 20: 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:

Loss for the year for calculating basic and diluted Earnings Per Share	21,813.75	1,38,378.86
Weighted average number of equity shares for calculating basic and diluted Earnings Per Share	50,000	50,000



Notes to Financial Statements for the Year Ended 31 March 2020

Particulars	(Value in '000)	
	Year Ended 31.03.2020	Year Ended 31.03.2019

**Note 21: Segment Information**

The Company is primarily engaged in the business of real estate development, which as per Indian Accounting Standard - 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India, which is considered as a single geographical segment.

**Note 22: Expenditure on Corporate Social Responsibility activities**

Since the Company does not meet the criteria specified in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended 31 March 2020.

**Note 23: Related Party Disclosure :**

**(a) Names of related parties where control exists irrespective of whether transactions have occurred or not:**

Embassy Property Developments Private Limited	Ultimate Holding Company
Embassy Property Developments Private Limited	Holding Company till 02.07.2019
Mac Charles (India) Limited	Holding Company from 03.07.2019

**(b) Transactions with Related Parties :**

**Loan from Related Parties:**

- Embassy Property Developments Private Limited	(2,37,408.88)	59.81
- Mac Charles (India) Limited	2,41,164.79	-

**Notional Interest Expenses:**

- Embassy Property Developments Private Limited	29,180.75	23,845.10
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**Reimbursement of Expenses Payable**

- Embassy Property Developments Private Limited	15.50	-
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**(c) Amount Outstanding as on the date of Balance Sheet :**

**Loan from Related Parties:**

- Embassy Property Developments Private Limited	-	2,08,228.13
- Mac Charles (India) Limited	2,41,164.79	-

**Reimbursement of Expenses Payable**

- Embassy Property Developments Private Limited	15.50	-
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(d) Related party relationship is as identified by the management and relied upon by the auditors.

(e) No amounts in respect of related parties have been written off/ written back during the year, nor has any provision been made for doubtful debts/ receivable.

(f) All outstanding balances with related parties are priced on an arm's length basis and are to be settled in cash within the credit period allowed as per the policy. None of the balances are secured.



Notes to Financial Statements for the Year Ended 31 March 2020

(Value in '000)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
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Note 24: Disclosure on Financial Assets and Financial Liabilities

Particulars	Carrying Value as at 31.03.2020	Carrying Value as at 31.03.2019
<b>Financial Assets Measured at Amortised Cost:</b>		
- Cash and Cash Equivalents	820.09	23.28
- Other Financial Assets	15.00	15.00
	<b>835.09</b>	<b>38.28</b>
<b>Financial Liabilities Measured at Amortised Cost:</b>		
- Borrowings	2,41,164.79	2,08,228.13
- Trade Payables	286.96	286.98
- Other Financial Liabilities	140.50	10.38
	<b>2,41,592.25</b>	<b>2,08,525.49</b>

Note 25: Financial Instruments - Risk Management

The Company's financial assets majorly comprise of cash & 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 & current liquidity position to the top management and Board of Directors of the Company.



Notes to Financial Statements for the Year Ended 31 March 2020

(Value in '000)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
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**Exposure to Liquidity Risk**

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

31 March 2020	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Financial Assets</b>				
- Cash and Cash Equivalents	820.09	-	-	820.09
- Other Financial Assets	15.00	-	-	15.00
	<b>835.09</b>	<b>-</b>	<b>-</b>	<b>835.09</b>
<b>Non-Derivative Financial Liabilities</b>				
- Borrowings	-	2,41,164.79	-	2,41,164.79
- Trade Payables	286.96	-	-	286.96
- Other Financial Liabilities	140.50	-	-	140.50
	<b>427.46</b>	<b>2,41,164.79</b>	<b>-</b>	<b>2,41,592.25</b>

31 March 2019	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Financial Assets</b>				
- Cash and Cash Equivalents	23.28	-	-	23.28
- Other Financial Assets	15.00	-	-	15.00
	<b>38.28</b>	<b>-</b>	<b>-</b>	<b>38.28</b>
<b>Non-Derivative Financial Liabilities</b>				
- Borrowings	-	2,08,228.13	-	2,08,228.13
- Trade Payables	286.98	-	-	286.98
- Other Financial Liabilities	10.38	-	-	10.38
	<b>297.36</b>	<b>2,08,228.13</b>	<b>-</b>	<b>2,08,525.49</b>

**Note 26: Auditors' Remuneration**

Statutory Audit Fees (Exclusive of Applicable Taxes)	125.00	100.00
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**Note 27: Capital Management**

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

The Company manages the capital structure based on an adequate gearing which yields higher share holder value which is driven by the business requirements for capital expenditure and cash flow requirements for operations and plans of business expansion and consolidation. Accordingly based on the relative gearing and effective operating cash flows generated, the Company manages the capital either by raising required funds through debt or equity. The current Capital and net debt provision of the Company is as under:





Notes to Financial Statements for the Year Ended 31 March 2020

Particulars	(Value in '000)	
	Year Ended 31.03.2020	Year Ended 31.03.2019
Borrowings	2,41,164.79	2,08,228.13
Net Debt	2,41,164.79	2,08,228.13
Capital - Equity Attributable to the Equity Holders	(1,21,201.29)	(99,387.54)
Capital and Net Debt	1,19,963.50	1,08,840.59
<b>Gearing Ratio</b>	<b>201.03%</b>	<b>191.31%</b>

**Note 28: Foreign Exchange Earnings and Outgo**

There was no foreign currency denominated transactions during the year and/ or any payables/receivable at the end of the year.

**Note 29: Balances in Receivable and Payable accounts are subject to confirmations and adjustments, if any.**

In the opinion of the Board of Directors, adjustments, if any, required on such confirmations would not be significant, except in case of certain advances, details of which are as under, in respect of which the Board of Directors had decided prudently to make provision to the extent of total amount considering said advances being long overdue, pending either the recovery or realisation in the form of contracted goods, services or values.

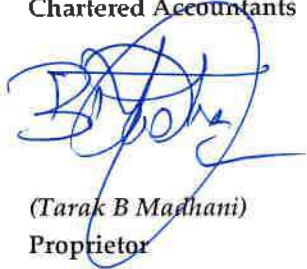
Name of the Party	(Value in '000)
Damac Holding Private Limited	62,274.91
Right Hand Developers Private Limited	52,725.74
Advance for Stamp paper	5,330.40
R & R Associates	2.50
<b>Total</b>	<b>1,20,333.55</b>

**Note 30:** Corresponding figures for previous year presented have been regrouped, wherever necessary, to conform to the current period classification and figures for the previous year are given in brackets where ever applicable.

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

As per our Report attached  
For Tarak Madhani Associates  
Chartered Accountants



  
(Tarak B Madhani)  
Proprietor

Membership Number: 037793

Thane, 01 June 2020

For and on Behalf of the Board



(Vijaya Kumar D)  
Director  
DIN: 00036772



(Vasundhara H)  
Director  
DIN: 05151884

Bengaluru, 01 June 2020