

# B S R & Associates LLP

Chartered Accountants

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## Independent Auditors' Report

To the Board of Directors of Mac Charles (India) Limited

## Report on the audit of the Consolidated Annual Financial Results

### Opinion

We have audited the accompanying consolidated annual financial results of Mac Charles (India) Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") for the year ended 31 March 2020, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries the aforesaid consolidated annual financial results:

- a. include the annual financial results of the following entities:
  - i. Airport Golfview Hotels and Suites Private Limited
  - ii. Blue Lagoon Real Estate Private Limited
  - iii. Neptune Real Estate Private Limited
- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net loss and other comprehensive income and other financial information of the Group for the year ended 31 March 2020.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group, 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 obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

## **Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results**

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

## **Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results**

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

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

- Identify and assess the risks of material misstatement of the consolidated annual financial results, 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.

**Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results (continued)**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors 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.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

**Other Matters**

- (a) The consolidated annual financial results include the audited financial results of three subsidiaries, whose financial statements reflect total assets (*before consolidation adjustments*) of Rs. 437.81 million as at 31 March 2020, total revenue (*before consolidation adjustments*) of Rs. 59.16 million and total net loss after tax (*before consolidation adjustments*) of Rs. 46.39 million and net cash outflow of Rs 0.56 million for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

- (b) The consolidated annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

*for* **B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No: 116231W/W-100024

**RUSHANK**

**SHAMSUNDA**

**R MUTHREJA**

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RUSHANK SHAMSUNDA  
MUTHREJA  
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**Rushank Muthreja**

*Partner*

Membership No: 211386

UDIN:20211386AAAABQ2830

Bangalore

26 June 2020

**MAC CHARLES (INDIA) LIMITED**  
**CIN: L55101KA1979PLC003620**  
**Registered office: 28 Sankey Road, P B No.174, Bangalore - 560052**

**Part I: Statement of audited consolidated financial results for the quarter and year ended 31 March 2020**

*(Rs in million except per share data)*

Sl. No.	Particulars	Quarter ended			Year ended	
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
		Audited	Unaudited	Audited	Audited	Audited
1	<b>Income</b>					
	a) Revenue from operations	66.39	72.24	69.85	304.79	308.48
	b) Other income	10.28	1.70	14.41	34.40	84.21
	<b>Total income (a+b)</b>	<b>76.67</b>	<b>73.94</b>	<b>84.26</b>	<b>339.19</b>	<b>392.69</b>
2	<b>Expenses</b>					
	a) Cost of material consumed	5.03	5.17	6.26	20.78	23.28
	b) Maintenance and upkeep services	4.40	6.01	6.24	21.68	18.09
	c) Employee benefit expense	9.04	6.46	8.86	30.67	29.08
	d) Finance costs	26.68	27.49	39.74	172.40	157.72
	e) Depreciation and amortization expense	9.24	9.71	9.01	37.93	38.11
	f) Other expenses	60.04	4.99	156.75	107.64	192.27
	<b>Total expenses (a+b+c+d+e+f)</b>	<b>114.43</b>	<b>59.83</b>	<b>226.86</b>	<b>391.10</b>	<b>458.55</b>
3	<b>Profit/(loss) before exceptional items and tax (1-2)</b>	<b>(37.76)</b>	<b>14.11</b>	<b>(142.60)</b>	<b>(51.91)</b>	<b>(65.86)</b>
4	Exceptional Items	-	-	300.00	-	300.00
5	<b>Profit/(loss) before tax (3+4)</b>	<b>(37.76)</b>	<b>14.11</b>	<b>157.40</b>	<b>(51.91)</b>	<b>234.14</b>
6	Tax expense	9.12	(8.34)	86.04	(17.80)	93.89
7	<b>Profit/(loss) from continuing operations after tax (5-6)</b>	<b>(46.88)</b>	<b>22.45</b>	<b>71.36</b>	<b>(34.11)</b>	<b>140.25</b>
8	Profit/(loss) from discontinued operations	(8.39)	(184.48)	72.62	(178.66)	205.94
9	Tax expense of discontinued operations	(12.96)	(35.45)	25.14	(40.70)	65.01
10	Profit/(loss) from discontinued operations after tax ( 8-9)	4.57	(149.03)	47.48	(137.96)	140.93
11	Profit/(loss) for the period ( 7+ 10)	(42.31)	(126.58)	118.84	(172.07)	281.18
	<b>Other comprehensive income</b>					
	<b>Items that will not be reclassified to profit or loss, net of tax :</b>					
	Remeasurements of defined benefit liability/(asset)	3.39	(2.11)	0.53	1.98	1.41
	Equity instruments through Other Comprehensive Income - net changes in fair value	(1.97)	0.07	0.04	(1.25)	(2.05)
	Income tax relating to items that will not be reclassified to profit or loss	(0.39)	0.51	(0.17)	(0.21)	0.19
12	<b>Other comprehensive income/(loss) for the period, net of tax</b>	<b>1.03</b>	<b>(1.53)</b>	<b>0.40</b>	<b>0.52</b>	<b>(0.45)</b>
13	<b>Total comprehensive income/(loss) for the period (11+12 )</b>	<b>(41.28)</b>	<b>(128.11)</b>	<b>119.24</b>	<b>(171.55)</b>	<b>280.73</b>
14	Paid-up equity share capital (face value of Rs.10 each)	131.01	131.01	131.01	131.01	131.01
15	Reserves excluding revaluation reserve	-	-	-	637.46	966.95
16	Earnings per equity share (not annualised)					
	Continuing operations					
	(a) Basic (Rs)	(3.58)	1.71	5.45	(2.60)	10.70
	(b) Diluted (Rs)	(3.58)	1.71	5.45	(2.60)	10.70
	Discontinued Operations					
	(a) Basic (Rs)	0.35	(11.38)	3.62	(10.53)	10.76
	(b) Diluted (Rs)	0.35	(11.38)	3.62	(10.53)	10.76
	Continuing & Discontinued operations					
	(a) Basic (Rs)	(3.23)	(9.66)	9.07	(13.13)	21.46
	(b) Diluted (Rs)	(3.23)	(9.66)	9.07	(13.13)	21.46

See accompanying notes to the consolidated financial results

**MAC CHARLES (INDIA) LIMITED**  
**CIN: L55101KA1979PLC003620**  
**Registered office: 28 Sankey Road, P B No.174, Bangalore - 560022**

**Part II: Segment Information**

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz. Hotel, Office rental, Sale of electricity and others.

Financial information on our consolidated reportable operating segments for the quarter and year ended 31 March 2020 is set out as below:

(Rs in million)						
Sl. No.	Particulars	Quarter ended			Year ended	
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
<b>1</b>	<b>Segment Revenue</b>					
	a. Office rental	36.44	36.35	35.72	145.54	139.14
	b. Sale of electricity	14.16	20.32	16.09	100.18	107.42
	c. Others	11.60	0.29	13.69	34.32	82.78
	d. Hotel (Subsidiary)	14.47	16.98	18.76	59.16	63.35
	<b>Total revenue from continuing operations</b>	<b>76.67</b>	<b>73.94</b>	<b>84.26</b>	<b>339.19</b>	<b>392.69</b>
	Income from Hotel (discontinued operation)	0.15	7.52	161.22	175.45	558.66
<b>2</b>	<b>Segment Results</b>					
	a. Office rental	35.33	35.25	38.96	139.30	135.83
	b. Sale of electricity	11.50	18.06	12.03	90.24	97.30
	c. Hotel (Subsidiary)	1.89	2.66	(0.16)	2.70	2.98
	<b>Total segment results from continuing operations</b>	<b>48.72</b>	<b>55.97</b>	<b>50.83</b>	<b>232.24</b>	<b>236.11</b>
	<b>(Add)/Less</b>					
	- Interest	26.67	27.49	39.74	172.40	157.72
	-Other unallocated expenditure net off unallocated Income	50.59	4.66	144.68	73.83	106.14
	Depreciation	9.23	9.71	9.01	37.93	38.11
	<b>Profit/(loss) before exceptional items and tax from Continuing Operations</b>	<b>(37.76)</b>	<b>14.11</b>	<b>(142.60)</b>	<b>(51.91)</b>	<b>(65.86)</b>
	Exceptional Items	-	-	300.00	-	300.00
	<b>Profit/(loss) before tax</b>	<b>(37.76)</b>	<b>14.11</b>	<b>157.40</b>	<b>(51.91)</b>	<b>234.14</b>
	<b>Results from Hotel (Discontinued operation)</b>	<b>(8.39)</b>	<b>(184.48)</b>	<b>72.62</b>	<b>(178.66)</b>	<b>205.94</b>
	<b>Total Profit Before Tax (Discontinued operations)</b>	<b>(8.39)</b>	<b>(184.48)</b>	<b>72.62</b>	<b>(178.66)</b>	<b>205.94</b>

See accompanying notes to the consolidated financial results

- A) Segment results represents earnings before depreciation/amortization and tax.  
B) Since the information about segment assets and liabilities are not reviewed by CODM, the Company has not presented such information as a part of its segment disclosure, which is in accordance with the requirements of Ind AS 108.

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<b>Part III: Consolidated statement of assets and liabilities</b>		
		<i>(Rs in million)</i>
<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>31 March 2020</b>	<b>31 March 2019</b>
	<b>Audited</b>	<b>Audited</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	668.03	731.60
Other Intangible Asset	0.17	0.22
Investment property	1,214.07	1,229.67
Goodwill	71.94	71.94
Financial assets:		
(i) Investments	23.83	41.89
(ii) Loans	11.73	27.23
(iii) Other financial assets	19.40	19.42
Income tax assets, (net)	40.31	1.16
Other non-current assets	56.05	2,311.87
<b>Total non-current assets</b>	<b>2,105.53</b>	<b>4,435.00</b>
<b>Current assets</b>		
Inventories	3.20	11.34
Financial assets		
(i) Investments	3.51	191.20
(ii) Trade receivables	11.08	29.13
(iii) Cash and cash equivalents	44.71	49.39
(iv) Bank balances other than cash and cash equivalents	1.00	1.00
(v) Loans	0.65	351.25
(vi) Other financial assets	0.80	3.63
Other current assets	5.44	14.67
Assets held for sale	35.80	27.75
Assets associated with discontinued operations (refer note 7)	35.85	-
<b>Total current assets</b>	<b>142.04</b>	<b>679.36</b>
<b>Total assets</b>	<b>2,247.57</b>	<b>5,114.36</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	131.01	131.01
Other equity	637.46	966.95
<b>Total equity</b>	<b>768.47</b>	<b>1,097.96</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
(i) Borrowings	1,179.21	1,644.04
(ii) Other financial liabilities	0.17	1.15
Non Current provisions	2.08	-
Deferred tax liabilities, (net)	-	56.44
<b>Total non-current liabilities</b>	<b>1,181.46</b>	<b>1,701.63</b>
<b>Current liabilities</b>		
Financial liabilities		
(i) Trade payables		
Total outstanding dues to micro enterprises and small enterprises	-	-
Total outstanding dues other than to micro enterprises and small enterprises	19.04	34.82
(ii) Other financial liabilities	162.58	2,230.91
Provisions	2.33	13.07
Other current liabilities	3.73	17.56
Current tax liabilities, (net)	-	18.41
Liabilities associated with discontinued operations (refer note 7)	109.96	-
<b>Total current liabilities</b>	<b>297.64</b>	<b>2,314.77</b>
<b>Total equity and liabilities</b>	<b>2,247.57</b>	<b>5,114.36</b>

See accompanying notes to the consolidated financial results

**MAC CHARLES (INDIA) LIMITED**  
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<b>Part IV: Statement of Consolidated Cashflows for the year ended 31 March 2020</b>			<i>(Rs in million)</i>
<b>Particulars</b>	<b>Year ended</b>		
	<b>31 March 2020</b>	<b>31 March 2019</b>	
	<b>Audited</b>	<b>Audited</b>	
Profit/ (loss) before tax from continuing operations	(51.91)	234.14	
Profit/ (loss) before tax from discontinuing operations	(178.66)	205.94	
Adjustments:			
- Interest income (including fair value change in financial instruments)	(30.05)	(65.11)	
- Interest income (included in exceptional item)	-	(300.00)	
- Dividend income	-	(0.06)	
- Financial assets at fair value through statement of profit and loss	14.66	(1.68)	
- (Profit)/ loss on sale of investments	(4.17)	(15.93)	
- Interest expense (including fair value change in financial instruments)	172.28	157.61	
- Depreciation and amortization	44.57	51.90	
- Provision for doubtful advances	(13.00)	121.85	
- Profit on sale of property, plant and equipment	(0.17)	(6.26)	
<b>Operating cash flow before working capital changes</b>	<b>(46.45)</b>	<b>382.37</b>	
Working capital adjustments:			
- Trade receivables	16.91	22.59	
- Inventories	8.14	0.01	
- Current and non-current financial assets	367.45	(2.63)	
- Other current and non-current assets	9.23	19.27	
- Current and non-current financial liabilities	73.83	2.44	
- Other current and non-current liabilities	(27.36)	(0.43)	
- Provisions	(8.66)	(11.32)	
<b>Cash generated from operating activities</b>	<b>393.09</b>	<b>412.30</b>	
Income taxes paid	(39.20)	(182.74)	
<b>Net cash generated from / (used in) operating activities [A]</b>	<b>353.89</b>	<b>229.56</b>	
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	(17.56)	(101.97)	
Purchase of Investments	(89.00)	(478.43)	
Proceeds from sale of property, plant and equipment	10.47	20.65	
Proceeds from sale of investments	279.83	516.57	
Interest received	30.05	65.11	
Dividend received	-	0.06	
Refund of capital advances	2,258.64	-	
Payment of capital advance for acquisition of property	(2.82)	-	
Acquisition of subsidiaries	(2,035.10)	-	
<b>Net cash generated from investing activities [B]</b>	<b>434.51</b>	<b>21.99</b>	
<b>Cash flows from financing activities</b>			
Dividend paid	(157.94)	(157.94)	
Proceeds from borrowings	-	2.23	
Repayment of borrowings	(521.18)	(13.39)	
Interest paid	(110.41)	(105.39)	
<b>Net cash used in financing activities [C]</b>	<b>(789.53)</b>	<b>(274.49)</b>	
<b>Net decrease in cash and cash equivalents [A+B+C]</b>	<b>(1.13)</b>	<b>(22.94)</b>	
Cash and cash equivalents pertaining to discontinued operations (refer note 7)	-	-	
Cash and cash equivalents at the beginning of the year	<b>45.84</b>	<b>68.78</b>	
<b>Cash and cash equivalents at the end of the year</b>	<b>44.71</b>	<b>45.84</b>	

See accompanying notes to the consolidated financial results



**Notes:**

- 1 The above consolidated financial results of Mac Charles India Limited ("the Company") and its subsidiaries, Airport Golf View Hotels and Suites Private Limited, Blue Lagoon Real Estate Private Limited and Neptune Real Estate Private Limited (collectively known as "the Group") have been prepared in accordance with Indian Accounting Standard ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and in terms of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

These consolidated financial results are prepared in accordance with requirement of the Indian Accounting Standard 110 "Consolidated Financial Statements" and presented in the format prescribed under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations, 2015").

- 2 The figures for the quarter ended 31 March 2020 in these consolidated financial results are the balancing figures between audited figures in respect of full financial year and the published year to date figures up to the end of third quarter of the financial year. Also the figures up to the end of the third quarter of the respective financial year have only been reviewed and not subjected to audit. The Audit report of the Statutory Auditors is being filed with Bombay Stock Exchange and is also available on the Company's website www.maccharlesindia.com.
- 3 The statement of audited consolidated financial results ('the Statement') of the Group for the quarter and year ended 31 March 2020 has been reviewed by the Audit Committee and thereafter approved by the Board of Directors in their meeting held on 26 June 2020.
- 4 Pursuant to the provisions of Listing Agreement, the Management has decided to avail exemption from publishing audited standalone & consolidated financial results in the newspapers. However, the audited standalone & consolidated financial results of the Company will be made available on the Company's website www.maccharlesindia.com and also on the website of BSE (www.bseindia.com).
- 5 Additional information on standalone financial results:-

*(Rs in million)*

Particulars	Quarter ended			Year ended	
	31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
Total income	62.22	57.92	66.48	280.04	329.34
Profit before tax from continuing operations	(39.02)	13.58	292.43	10.14	406.04
Profit before tax from discontinuing operations	(8.39)	(184.48)	72.62	(178.66)	205.94
Profit after tax from continuing operations	(48.05)	21.99	203.32	12.29	299.39
Profit after tax from discontinuing operations	4.57	(149.03)	47.48	(137.96)	140.93
Total comprehensive income	(42.45)	(128.57)	251.20	(125.15)	439.87

- 6 Effective 1 April 2019, the Group has adopted Ind AS 116 "Leases" and has evaluated all the existing lease contracts as on 1 April 2019 and has noted that the effect of this adoption did not have a material impact on the consolidated financial results for the quarter and year ended 31 March 2020.

**7 Discontinued Operations**

- i For commercial reasons management proposed that the Hotel business of the Company be discontinued. In the meeting of the Board of Directors held on 26 August 2019, approval was granted for the discontinuation of the hotel business. Consequently, pursuant to the requirements of Ind AS 105 - Non Current Assets Held for Sale and Discontinued Operations, the Company has classified the assets and liabilities pertaining to the Hotel business for the current and prior periods presented as 'Assets/liabilities associated with discontinued operations' and measured them at lower of cost and fair value as at 31 March 2020.

The net profit from the hotel operations of the Mac Charles (India) Limited has been presented separately as 'Discontinued operations' in the statement of profit and loss

- ii The results from Hotel business of the Company are as follows :

*(Rs in million)*

Particulars	Quarter ended			Year Ended	
	31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
	Audited	Unaudited	Unaudited	Audited	Audited
<b>Income</b>					
a) Revenue from operations	0.13	7.46	141.89	173.36	535.79
b) Other income	0.02	0.06	19.33	2.09	22.87
<b>Total income (a+b)</b>	<b>0.15</b>	<b>7.52</b>	<b>161.22</b>	<b>175.45</b>	<b>558.66</b>
<b>Expenses</b>					
a) Cost of material consumed	0.00	2.35	18.41	28.86	74.39
b) Maintenance and upkeep services	0.37	2.34	10.51	17.51	45.68
c) Employee benefit expense	6.52	171.22	39.05	257.30	148.49
d) Depreciation and amortization expense	-	0.92	3.45	6.65	13.78
e) Other expenses	1.65	15.17	17.19	43.79	70.38
<b>Total expenses (a+b+c+d+e)</b>	<b>8.54</b>	<b>192.00</b>	<b>88.60</b>	<b>354.11</b>	<b>352.72</b>
<b>Profit before tax</b>	<b>(8.39)</b>	<b>(184.48)</b>	<b>72.62</b>	<b>(178.66)</b>	<b>205.94</b>
Tax expense	(12.96)	(35.45)	25.14	(40.70)	65.01
<b>Profit from discontinuing operations after tax</b>	<b>4.57</b>	<b>(149.03)</b>	<b>47.48</b>	<b>(137.96)</b>	<b>140.93</b>

Notes (continued)

7 **Discontinued Operations (continued)**

iii The assets and liabilities from Hotel business are as follows :

(Rs in million)

Particulars	As at
	31 March 2020
	Audited
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	33.21
Financial assets	
- Loans	0.02
<b>Current assets</b>	
Financial assets	
- Trade receivables	1.14
- Other financial assets	1.48
<b>Assets associated with discontinued business</b>	<b>35.85</b>
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Financial liabilities	
- Other financial liabilities	0.60
<b>Current liabilities</b>	
Financial liabilities	
- Other financial liabilities	106.81
Advance from customers	1.65
Security deposits	0.90
<b>Liabilities associated with discontinued operations</b>	<b>109.96</b>

iv The net cash flows from Hotel business is as follows :

(Rs in million)

Particulars	For the year ended	For the year ended
	31 March 2020	31 March 2019
	Audited	Audited
Profit/ (loss) before tax from discontinuing operations	(178.66)	205.94
Adjustments:		
- Depreciation and amortization	6.65	13.78
	<b>(172.01)</b>	<b>219.72</b>
<i>Working capital adjustments:</i>		
- Trade receivables	(1.14)	-
- Current and non-current financial assets	(1.50)	-
- Current and non-current financial liabilities	107.71	-
- Other current and non-current liabilities	2.25	-
Cash generated from operation activities	(64.69)	219.72
Income taxes paid	-	-
<b>Net cash generated from operating activities [A]</b>	<b>(64.69)</b>	<b>219.72</b>
Net cash used in investing activities [B]	-	-
Net cash used in financing activities [C]	-	-
<b>(Decrease)/ (increase) in cash and cash equivalents [A+B+C]</b>	<b>(64.69)</b>	<b>219.72</b>

**Notes (continued)**

8 The Company has acquired 100% shareholding in Blue Lagoon Real Estate Private Limited and Neptune Real Estate Private Limited on 3 July 2019. An amount of Rs 2,035 million was paid for the acquisition of these companies.

The Company has acquired these subsidiaries from its holding company Embassy Property Developments Private Limited. Pursuant to the requirements of Appendix C of *Ind AS 103- Business Combination*, the acquisitions have been accounted for as a common control transactions. Consequently, the financial information in these financial results in respect of prior periods have been restated as if the business combinations had occurred from the beginning of the preceding period (i.e., 1 April 2018), irrespective of the actual date of the business combinations (i.e., 3 July 2019).

Reported numbers for the comparative periods, along with the adjustments made on account of the common control business combination and the resultant restated comparative numbers presented in these consolidated financial results are as follows :

<b>1. Consolidated statement of assets and liabilities</b>				<i>Rs in millions</i>
<b>Particulars</b>	<b>Amount</b>			
	<b>As previously reported</b>	<b>Adjustments</b>	<b>As restated</b>	
<b>As at 31 March 2019</b>				
<b>Non-current assets</b>				
Investment property	845.41	384.27	1,229.67	
<b>Current assets</b>				
<b>Financial Assets</b>				
- Cash and cash equivalents	49.33	0.06	49.39	
- Other financial assets	3.60	0.03	3.63	
<b>Equity</b>				
Other equity	3,079.23	2,112.28	966.95	
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	1,202.24	(441.80)	1,644.04	
Deferred tax liability, net	40.49	(15.95)	56.44	
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
Trade payables	31.28	(3.54)	34.82	
Other financial liabilities	195.79	(2,035.12)	2,230.91	
<b>Provisions</b>				
Other current liabilities	17.54	(0.02)	17.56	

**2. Statement of consolidated financial results**

<b>Particulars</b>					<i>Rs in millions</i>
	<b>As previously reported</b>	<b>Related to Discontinued Operations</b>	<b>Amount</b>		
			<b>Adjustments</b>	<b>As restated</b>	
<b>For the year ended 31 March 2019</b>					
Finance cost	107.16	-	50.56	157.72	
Other expenses	140.36	(70.38)	122.29	192.27	
Tax Expense	171.88	(65.01)	(12.99)	93.89	
<b>For the quarter ended 31 March 2019</b>					
Finance cost	27.11	-	12.63	39.74	
Other expenses	51.99	(17.19)	121.94	156.74	
Tax Expense	114.48	(25.14)	(3.31)	86.04	

9 In March 2020, the World Health Organisation declared COVID-19 to be 'the pandemic'. This pandemic has resulted in disruption to regular business operations due to lockdown, disruptions in transportation, travel bans, quarantines, social distancing and other emergency measures imposed by the government. The Group has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. The Group believes that the COVID 19 pandemic will only have a short term impact on its operations and growth plans and after easing of the lockdown restrictions, the business is expected to return to normal.

Further, owing to the discontinuance of the hotel operations of the Group earlier this year, which was the single largest segment of the Group's business, the Group has evaluated its ability to sustain its operations in the foreseeable future. Considering net positive cash flows projected from continuing operations in the foreseeable future, market value of the land owned by the Group, continued committed financial support from the holding company and access to lines of credit, Management believes that the Group will not have any challenge in meeting its financial obligations for the next 12 months from the date of the consolidated financial statements/ results.

The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID -19 situation evolves in India and globally. The Group will continue to closely monitor any material changes to future economic conditions. However, the pandemic did not have any material impact on the financial result for the year ended 31 March 2020.

for and on behalf of Board of Directors of

**Mac Charles (India) Limited**

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**P.B. Appiah**

**Director**

Place : Bengaluru

Date: 26 June 2020

# B S R & Associates LLP

Chartered Accountants

Embassy Golf Links Business Park  
Pebble Beach, B Block, 3rd Floor  
Off Intermediate Ring Road  
Bengaluru 560 071 India

Telephone +91 80 4682 3000  
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## Independent Auditors' Report

To the Board of Directors of Mac Charles (India) Limited

## Report on the audit of the Standalone Annual Financial Results

### Opinion

We have audited the accompanying standalone annual financial results of Mac Charles (India) Limited (hereinafter referred to as the "Company") for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the year ended 31 March 2020.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* 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 on the Standalone annual financial results.

## **Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results**

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## **Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results**

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

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

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

**Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results (continued)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**Other Matters**

The standalone annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

*for B S R & Associates LLP*

*Chartered Accountants*

Firm's Registration Number: 116231W/W-100024

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**Rushank Muthreja**

*Partner*

Membership No: 211386

UDIN – 20211386AAAABN8263

Bengaluru

26 June 2020

**MAC CHARLES (INDIA) LIMITED**  
**CIN: L55101KA1979PLC003620**  
Registered office: 28 Sankey Road, P B No.174, Bangalore - 560052

**Part I: Statement of audited standalone financial results for the quarter and year ended 31 March 2020**

*(Rs in million except per share data)*

Sl. No.	Particulars	Quarter ended			Year ended	
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
		Audited	Unaudited	Audited	Audited	Audited
1	<b>Income</b>					
	a) Revenue from operations	50.60	56.67	52.52	245.72	246.56
	b) Other income	11.62	1.25	13.96	34.32	82.78
	<b>Total income (a+b)</b>	<b>62.22</b>	<b>57.92</b>	<b>66.48</b>	<b>280.04</b>	<b>329.34</b>
2	<b>Expenses</b>					
	a) Maintenance and upkeep services	4.08	4.79	5.24	17.96	14.56
	b) Employee benefit expense	5.70	2.39	3.40	14.99	13.58
	c) Finance costs	26.63	27.43	27.06	110.35	107.00
	d) Depreciation and amortization expense	8.81	8.98	8.44	35.68	35.92
	e) Other expenses	56.02	0.75	29.91	90.92	52.24
	<b>Total expenses (a+b+c+d+e)</b>	<b>101.24</b>	<b>44.34</b>	<b>74.05</b>	<b>269.90</b>	<b>223.30</b>
3	<b>Profit/(loss) before exceptional items and tax (1-2)</b>	<b>(39.02)</b>	<b>13.58</b>	<b>(7.57)</b>	<b>10.14</b>	<b>106.04</b>
4	Exceptional Items	-	-	300.00	-	300.00
5	<b>Profit/(loss) before tax (3+4)</b>	<b>(39.02)</b>	<b>13.58</b>	<b>292.43</b>	<b>10.14</b>	<b>406.04</b>
6	Tax expense	9.03	(8.41)	89.11	(2.15)	106.65
7	<b>Profit/(loss) from continuing operations after tax (5-6)</b>	<b>(48.05)</b>	<b>21.99</b>	<b>203.32</b>	<b>12.29</b>	<b>299.39</b>
8	Profit/(loss) from discontinued operations	(8.39)	(184.48)	72.62	(178.66)	205.94
9	Tax expense of discontinued operations	(12.96)	(35.45)	25.14	(40.70)	65.01
10	Profit/(loss) from discontinued operations after tax ( 8-9)	4.57	(149.03)	47.48	(137.96)	140.93
11	Profit/(loss) for the period ( 7+ 10)	(43.48)	(127.04)	250.80	(125.67)	440.32
	<b>Other comprehensive income</b>					
	<b>Items that will not be reclassified to profit or loss, net of tax :</b>					
	Remeasurements of defined benefit liability/(asset)	3.39	(2.11)	0.53	1.98	1.41
	Equity instruments through Other Comprehensive Income - net changes in fair value	(1.97)	0.07	0.04	(1.25)	(2.05)
	Income tax relating to items that will not be reclassified to profit or loss	(0.39)	0.51	(0.17)	(0.21)	0.19
12	<b>Other comprehensive income/(loss) for the period, net of tax</b>	<b>1.03</b>	<b>(1.53)</b>	<b>0.40</b>	<b>0.52</b>	<b>(0.45)</b>
13	<b>Total comprehensive income/(loss) for the period (11+12)</b>	<b>(42.45)</b>	<b>(128.57)</b>	<b>251.20</b>	<b>(125.15)</b>	<b>439.87</b>
14	Paid-up equity share capital (face value of Rs.10 each)	131.01	131.01	131.01	131.01	131.01
15	Reserves excluding revaluation reserve	-	-	-	2,768.73	3,051.83
16	Earnings per equity share (not annualised)					
	Continuing operations					
	(a) Basic (Rs)	(3.67)	1.68	15.52	0.94	22.85
	(b) Diluted (Rs)	(3.67)	1.68	15.52	0.94	22.85
	Discontinued Operations					
	(a) Basic (Rs)	0.35	(11.38)	3.62	(10.53)	10.76
	(b) Diluted (Rs)	0.35	(11.38)	3.62	(10.53)	10.76
	Continuing & Discontinued operations					
	(a) Basic (Rs)	(3.32)	(9.70)	19.14	(9.59)	33.61
	(b) Diluted (Rs)	(3.32)	(9.70)	19.14	(9.59)	33.61

See accompanying notes to the financial results

**MAC CHARLES (INDIA) LIMITED**  
**CIN: L55101KA1979PLC003620**  
**Registered office: 28 Sankey Road, P B No.174, Bangalore - 560052**

<b>Part II: Statement of Standalone assets and liabilities as at 31 March 2020</b>		
<i>(Rs in million)</i>		
<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>31 March 2020</b>	<b>31 March 2019</b>
	<b>Audited</b>	<b>Audited</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	631.40	701.82
Investment property	829.81	845.41
Investments in subsidiaries	2,109.60	74.50
Financial assets:		
(i) Investments	23.83	41.89
(ii) Loans	9.93	24.43
(iii) Other financial assets	19.40	19.42
Income tax assets, (net)	39.40	-
Other non-current assets	53.23	2,311.87
<b>Total non-current assets</b>	<b>3,716.60</b>	<b>4,019.34</b>
<b>Current assets</b>		
Inventories	-	9.17
Financial assets		
(i) Investments	3.51	191.20
(ii) Trade receivables	9.73	27.56
(iii) Cash and cash equivalents	42.10	46.21
(iv) Bank balances other than cash and cash equivalents	1.00	1.00
(v) Loans	517.48	357.40
(vi) Other financial assets	0.80	3.60
Other current assets	2.25	11.38
Assets held for sale	35.80	27.75
Assets associated with discontinued operations (refer note 8)	35.85	-
<b>Total current assets</b>	<b>648.52</b>	<b>675.27</b>
<b>Total assets</b>	<b>4,365.12</b>	<b>4,694.61</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	131.01	131.01
Other equity	2,768.73	3,051.83
<b>Total equity</b>	<b>2,899.74</b>	<b>3,182.84</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
(i) Borrowings	1,179.21	1,202.24
Non Current provisions	2.08	-
Deferred tax liabilities, (net)	-	40.49
Other financial liabilities	-	0.98
<b>Total non-current liabilities</b>	<b>1,181.29</b>	<b>1,243.71</b>
<b>Current liabilities</b>		
Financial liabilities		
(i) Trade payables		
Total outstanding dues to micro enterprises and small enterprises	-	-
Total outstanding dues other than to micro enterprises and small enterprises	14.34	28.53
(ii) Other financial liabilities	155.17	192.91
Current tax liabilities, (net)	-	18.42
Provisions	0.92	11.70
Other current liabilities	3.70	16.50
Liabilities associated with discontinued operations (refer note 8)	109.96	-
<b>Total current liabilities</b>	<b>284.09</b>	<b>268.06</b>
<b>Total equity and liabilities</b>	<b>4,365.12</b>	<b>4,694.61</b>

See accompanying notes to the financial results



**MAC CHARLES (INDIA) LIMITED**  
**CIN: L55101KA1979PLC003620**  
**Registered office: 28 Sankey Road, P B No.174, Bangalore - 560052**

<b>Part III: Statement of Standalone Cashflows for the year ended 31 March 2020</b>			<i>(Rs in million)</i>
<b>Particulars</b>	<b>Year ended</b>		
	<b>31 March 2020</b>	<b>31 March 2019</b>	
	<b>Audited</b>	<b>Audited</b>	
Profit/ (loss) before tax from continuing operations	10.14	406.04	
Profit/ (loss) before tax from discontinuing operations	(178.66)	205.94	
Adjustments:			
- Interest income (including fair value change in financial instruments)	(29.98)	(65.11)	
- Interest income (included in exceptional item)	-	(300.00)	
- Dividend income	-	(0.06)	
- Financial assets at fair value through statement of profit and loss	14.66	(1.68)	
- (Profit)/ loss on sale of investments	(4.17)	(15.93)	
- Interest expense (including fair value change in financial instruments)	110.26	106.88	
- Depreciation and amortization	42.32	49.70	
- Provision for doubtful advances	(13.00)	0.32	
- Profit on sale of property, plant and equipment	(0.17)	(6.27)	
<b>Operating cash flow before working capital changes</b>	<b>(48.60)</b>	<b>379.83</b>	
Working capital adjustments:			
- Trade receivables	16.69	22.63	
- Inventories	9.17	1.81	
- Current and non-current financial assets	15.72	(3.14)	
- Other current and non-current assets	9.13	(0.14)	
- Current and non-current financial liabilities	71.43	22.73	
- Other current and non-current liabilities	(24.74)	(15.77)	
- Provisions	(10.78)	2.15	
<b>Cash (Used in)/generated from operating activities</b>	<b>38.03</b>	<b>410.10</b>	
Income taxes paid	(37.87)	(182.06)	
<b>Net cash (Used in)/generated from operating activities [A]</b>	<b>0.16</b>	<b>228.04</b>	
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	(8.03)	(100.34)	
Purchase of Investments	(89.01)	(478.43)	
Loans to subsidiaries	(160.08)	-	
Proceeds from sale of property, plant and equipment	10.47	20.65	
Proceeds from sale of investments	278.00	516.55	
Interest received	29.98	65.11	
Dividend received	-	0.06	
Refund of capital advances	2,258.64	-	
Acquisition of subsidiaries	(2,035.10)	-	
<b>Net cash generated from investing activities [B]</b>	<b>284.87</b>	<b>23.60</b>	
<b>Cash flows from financing activities</b>			
Dividend paid	(157.94)	(157.94)	
Repayment of borrowings	(17.38)	(13.39)	
Interest paid	(110.26)	(105.23)	
<b>Net cash used in financing activities [C]</b>	<b>(285.58)</b>	<b>(276.56)</b>	
<b>Net decrease in cash and cash equivalents [A+B+C]</b>	<b>(0.55)</b>	<b>(24.92)</b>	
Cash and cash equivalents at the beginning of the year	42.65	67.57	
<b>Cash and cash equivalents at the end of the year</b>	<b>42.10</b>	<b>42.65</b>	

See accompanying notes to the financial results

**Notes:**

- 1 The Statement of audited standalone financial results ('the Statement') of Mac Charles (India) Limited ('the Company') for the quarter and year ended 31 March 2020 has been reviewed by the Audit Committee and thereafter approved by the Board of Directors in its meeting held on 26 June 2020.
- 2 The figures for the quarter ended 31 March 2020 and the corresponding quarter ended in the previous year as reported in these standalone financial results are the balancing figures between audited figures in respect of full financial year and the published year to date figures up to the end of third quarter of the relevant financial year. Also the figures up to the end of the third quarter of the respective financial year have only been reviewed and not subjected to audit. The Audit report of the Statutory Auditors is being filed with Bombay Stock Exchange and is also available on the Company's website www.maccharlesindia.com.
- 3 Pursuant to the provisions of Listing Agreement, the Management has decided to avail exemption from publishing of audited standalone & consolidated financial results in the newspapers. However, the audited standalone & consolidated financial results of the Company will be made available on the Company's website www.maccharlesindia.com and also on the website of BSE (www.bseindia.com).
- 4 These financial results have been prepared in accordance with Indian Accounting Standard ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016 and in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 5 In accordance with Ind AS 108, Operating segments, segment information has been provided in the audited consolidated financial results of the Company and therefore no separate disclosure on segment information is given in these standalone financial results.
- 6 Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases" and has evaluated all the existing lease contracts as on 1 April 2019 and has noted that the effect of this adoption did not have a material impact on the financial results for the quarter and year ended 31 March 2020.
- 7 During the current year on 3rd July 2019 the Company has acquired 100% shareholding in two entities namely Blue Lagoon Real Estate Private Limited and Neptune Real Estate Private Limited. An amount of Rs 2,035 million was paid for the acquisition of these companies.
- 8 **Discontinued Operations**
  - i For commercial reasons management proposed that the Hotel operations of the Company be discontinued. In the meeting of the Board of Directors held on 26 August 2019, approval was granted for the discontinuation of the hotel business. Consequently, pursuant to the requirements of Ind AS 105 - *Non Current Assets Held for Sale and Discontinued Operations*, the Company has classified the assets and liabilities pertaining to the Hotel business for the current and prior periods presented as 'Assets/liabilities associated with discontinued operations' and measured them at lower of cost and fair value as at 31 March 2020.

The net profit/(loss) from the hotel operations of the Mac Charles (India) Limited has been presented separately as 'Discontinued operations' in the statement of profit/(loss).

- ii The results from Hotel operations of the Company are as follows :

(Rs in million)

Particulars	Quarter ended			Year ended	
	31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
	Audited	Unaudited	Audited	Audited	Audited
<b>Income</b>					
a) Revenue from operations	0.13	7.46	141.89	173.36	535.79
b) Other income	0.02	0.06	19.33	2.09	22.87
<b>Total income (a+b)</b>	<b>0.15</b>	<b>7.52</b>	<b>161.22</b>	<b>175.45</b>	<b>558.66</b>
<b>Expenses</b>					
a) Cost of material consumed	-	2.35	18.41	28.86	74.39
b) Maintenance and upkeep services	0.37	2.34	10.51	17.51	45.68
c) Employee benefit expense	6.52	171.22	39.05	257.30	148.49
d) Depreciation and amortization expense	-	0.92	3.44	6.65	13.78
e) Other expenses	1.65	15.17	17.19	43.79	70.38
<b>Total expenses (a+b+c+d+e)</b>	<b>8.54</b>	<b>192.00</b>	<b>88.60</b>	<b>354.11</b>	<b>352.72</b>
<b>Profit/(loss) before tax</b>	<b>(8.39)</b>	<b>(184.48)</b>	<b>72.62</b>	<b>(178.66)</b>	<b>205.94</b>
Tax expense	(12.96)	(35.45)	25.14	(40.70)	65.01
<b>Profit/(loss) from discontinued operations after tax</b>	<b>4.57</b>	<b>(149.03)</b>	<b>47.48</b>	<b>(137.96)</b>	<b>140.93</b>

**Notes (continued)****8 Discontinued Operations (continued)**

iii The assets and liabilities from Hotel business are as follows :

*(Rs in million)*

Particulars	As at
	31 March 2020
	Audited
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	33.21
Financial assets	
- Loans	0.02
<b>Current assets</b>	
Financial assets	
- Trade receivables	1.14
- Other financial assets	1.48
<b>Assets associated with discontinued business</b>	<b>35.85</b>
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Financial liabilities	
- Other financial liabilities	0.60
<b>Current liabilities</b>	
Financial liabilities	
- Other financial liabilities	106.81
Advance from customers	1.65
Security deposits	0.90
<b>Liabilities associated with discontinued operations</b>	<b>109.96</b>

iv The net cash flows from Hotel business is as follows :

*(Rs in million)*

Particulars	For the year ended	For the year ended
	31 March 2020	31 March 2019
	Audited	Audited
Profit/ (loss) before tax from discontinuing operations	(178.66)	205.94
Adjustments:		
- Depreciation and amortization	6.65	13.78
	<b>(172.01)</b>	<b>219.72</b>
<i>Working capital adjustments:</i>		
- Trade receivables	(1.14)	-
- Current and non-current financial assets	(1.50)	-
- Current and non-current financial liabilities	107.71	-
- Other current and non-current liabilities	2.25	-
Cash generated from operation activities	(64.69)	219.72
Income taxes paid	-	-
<b>Net cash generated from operating activities [A]</b>	<b>(64.69)</b>	<b>219.72</b>
Net cash used in investing activities [B]	-	-
Net cash used in financing activities [C]	-	-
<b>(Decrease)/ (increase) in cash and cash equivalents [A+B+C]</b>	<b>(64.69)</b>	<b>219.72</b>

9 In March 2020, the World Health Organisation declared COVID-19 to be 'the pandemic'. This pandemic has resulted in disruption to regular business operations due to lockdown, disruptions in transportation, travel bans, quarantines, social distancing and other emergency measures imposed by the government. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. The Company believes that the COVID 19 pandemic will only have a short term impact on its operations and growth plans and after easing of the lockdown restrictions, the business is expected to return to normal

Further, owing to the discontinuance of the hotel operations of the Company earlier this year, which was the single largest segment of the Company's business, the Company has evaluated its ability to sustain its operations in the foreseeable future. Considering net positive cash flows projected from continuing operations in the foreseeable future, market value of the land owned by the Company, continued committed financial support from the holding company and access to lines of credit, Management believes that the Company will not have any challenge in meeting its financial obligations for the next 12 months from the date of the standalone financial statements / results.

The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID -19 situation evolves in India and globally. The Company will continue to closely monitor any material changes to future economic conditions. However, the pandemic did not have any material impact on the financial result for the year ended 31 March 2020.

for and on behalf of Board of Directors of

**Mac Charles (India) Limited**

PALECANDA  
APPIAH  
BOPANNA

Digitally signed by PALECANDA  
APPIAH  
BOPANNA  
DN: cn=PALECANDA APPIAH BOPANNA, o=Mac Charles (India) Limited

**P.B. Appiah****Director**

Place : Bengaluru

Date: 26 June 2020