

# Kingston Property Services Limited

FINANCIAL STATEMENT  
FY 2019-20

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Kingston Property Services Limited

### Report on the Audit of the Ind AS Financial Statements

#### Opinion

We have audited the accompanying Ind AS financial statements of Kingston Property Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 audit opinion on the Ind AS financial statements.

#### Emphasis of Matter

We draw attention to Note 33 of the Financial Statements, which describes the Management's assessment of uncertainties related to the COVID-19 pandemic, and its consequential financial impacts on the operations of the Company, its cash flows and recoverable amounts of its assets. Our opinion is not modified in respect of this matter.

#### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report but does not include the Ind AS financial statements and our auditor's report thereon.

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

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

#### Responsibilities of Management for the Ind AS Financial Statements

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

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

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

#### Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material

## Kingston Property Services Limited

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 Ind AS financial statements.

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the Directors as on March 31, 2020 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 Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) According to the information and explanations given to us by the management, no managerial remuneration for the year ended March 31, 2020 has been paid/provided by the Company to its Directors and accordingly provisions of section 197 of the Act is not applicable;

## Kingston Property Services Limited

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- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impacts its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

### **For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

### **per Vinayak Pujare**

Partner

Membership Number: 101143

UDIN:20101143AAAACH2134

Place: Mumbai

Date: July 13, 2020

## Kingston Property Services Limited

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Kingston Property Services Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture or service of construction activities, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, duty of excise, cess, goods and services tax (GST) and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, duty of excise, cess, goods and services tax (GST) and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, cess, goods and services tax (GST) which has not been deposited on account of any dispute.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer/further public offer/debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, no managerial remuneration for the year ended March 31, 2020 has been paid/provided by the Company to its Directors and hence reporting under clause 3(xi) is not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

## **Kingston Property Services Limited**

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- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with Directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

### **For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

### **per Vinayak Pujare**

Partner

Membership Number: 101143

UDIN: 20101143AAAACH2134

Place: Mumbai

Date: July 13, 2020

## **Kingston Property Services Limited**

### **Annexure 2 referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date**

Re: Kingston Property Services Limited (‘the Company’)

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Kingston Property Services Limited (‘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.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s Management is 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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements**

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements 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.

### **For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

### **per Vinayak Pujare**

Partner

Membership Number: 101143

UDIN: 20101143AAAACH2134

Place: Mumbai

Date: July 13, 2020



# Kingston Property Services Limited

## BALANCE SHEET

(₹ in Lakh)

AS AT	Note	March 31, 2020	March 31, 2019
<b>ASSETS</b>			
<b>I) Non-current assets</b>			
a) Property, plant and equipments	2	30.90	29.54
b) Intangible assets	3	0.70	-
c) Financial Assets			
i) Other financial assets	4	177.15	-
d) Other non-current assets	5	14.46	14.80
		<b>223.21</b>	<b>44.34</b>
<b>II) Current assets</b>			
a) Financial assets			
i) Investments	6	4,415.65	1,307.38
ii) Trade receivables	7	87.17	57.50
iii) Cash and cash equivalents	8	189.82	4,040.60
iv) Bank balances other than (iii) above	9	49.57	154.63
v) Loans	10	-	0.02
vi) Other financial assets	4	78.82	80.00
b) Current tax assets (net)	11	369.50	257.18
c) Other current assets	5	134.08	267.56
		<b>5,324.61</b>	<b>6,164.87</b>
<b>TOTAL ASSETS (I+II)</b>		<b>5,547.82</b>	<b>6,209.21</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I) Equity</b>			
a) Equity share capital	12	9.00	9.00
b) Other equity	13	743.30	586.66
		<b>752.30</b>	<b>595.66</b>
<b>II) Liabilities</b>			
<b>i) Non-current liabilities</b>			
a) Financial liabilities			
i) Trade payables	14		
a) Total outstanding dues of micro enterprises and small enterprises		-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises"		0.43	0.13
ii) Other financial liabilities	15	11.31	13.65
b) Provisions	16	3.98	3.02
c) Deferred tax liabilities (net)	17	7.52	9.26
d) Other non-current liabilities	18	0.26	0.68
		<b>23.50</b>	<b>26.74</b>
<b>ii) Current liabilities</b>			
a) Financial liabilities			
i) Trade payables	14		
a) Total outstanding dues of micro enterprises and small enterprises		7.05	14.81
b) Total outstanding dues of creditors other than micro enterprises and small enterprises"		92.98	482.32
ii) Other financial liabilities	15	2,998.06	3,959.03
b) Other current liabilities	18	1,668.73	1,127.66
c) Provisions	16	5.20	2.99
		<b>4,772.02</b>	<b>5,586.81</b>
<b>TOTAL LIABILITIES (i+ii)</b>		<b>4,795.52</b>	<b>5,613.55</b>
<b>TOTAL EQUITY AND LIABILITIES (I+II)</b>		<b>5,547.82</b>	<b>6,209.21</b>

Significant accounting policies

1

The accompanying notes form an integral part of the financial statements

As per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

Firm Registration Number 324982E/E300003

**per Vinayak Pujare**

Partner

Membership No.: 101143

Mumbai, July 13, 2020

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

**Vikas Oberoi**

Director

DIN 00011701

Mumbai, July 13, 2020

**Bindu Oberoi**

Director

DIN 00837711

**STATEMENT OF PROFIT AND LOSS**

(₹ in Lakh)

<b>FOR THE YEAR ENDED</b>	<b>Note</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>INCOME</b>			
Revenue from operations	19	5,566.46	5,378.38
Other income	20	236.64	255.67
<b>Total revenue</b>	<b>(A)</b>	<b>5,803.10</b>	<b>5,634.05</b>
<b>EXPENSES</b>			
Operating costs	21	5,002.43	4,796.40
Employee benefits expense	22	329.91	418.39
Finance cost	23	1.76	2.13
Depreciation and amortisation	24	4.23	4.90
Other expenses	25	256.75	283.09
<b>Total expenses</b>	<b>(B)</b>	<b>5,595.08</b>	<b>5,504.91</b>
<b>Profit before tax</b>	<b>(A-B)</b>	<b>208.02</b>	<b>129.14</b>
<b>Tax expense</b>			
Current tax	11	52.88	30.52
Deferred tax	17	(1.76)	5.57
Short provision of tax in earlier years		0.30	11.12
<b>Profit after tax</b>	<b>(C)</b>	<b>156.60</b>	<b>81.93</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss in subsequent year</b>			
Re - measurement gains/(losses) on defined benefit plans		0.06	3.01
Income tax effect on above		(0.02)	(0.84)
<b>Total comprehensive income/(expenses) for the year net of tax</b>	<b>(D)</b>	<b>0.04</b>	<b>2.17</b>
<b>Total comprehensive income for the year (Comprising profit/(loss) and other comprehensive income for the year)</b>	<b>(C+D)</b>	<b>156.64</b>	<b>84.10</b>
Earnings per equity share (face value of ₹10)	26		
- Basic (in ₹)		174.00	91.04
- Diluted (in ₹)		174.00	91.04

Significant accounting policies

1

The accompanying notes form an integral part of the financial statements

As per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

Firm Registration Number 324982E/E300003

**For and on behalf of the Board of Directors**
**per Vinayak Pujare**

Partner

Membership No.: 101143

**Vikas Oberoi**

Director

DIN 00011701

**Bindu Oberoi**

Director

DIN 00837711

Mumbai, July 13, 2020

Mumbai, July 13, 2020

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED**

**A. Equity Share Capital**

(₹ in Lakh)

Particulars	Note	Amount
As at April 1, 2018	12	9.00
Change in equity share capital		-
As at March 31, 2019	12	9.00
Change in equity share capital		-
<b>As at March 31, 2020</b>	<b>12</b>	<b>9.00</b>

**B. Other Equity**

(₹ in Lakh)

Particulars	Note	Reserves and Surplus	Total
		Retained Earnings	
<b>A. Balance as at April 1, 2019</b>	<b>13</b>	<b>586.66</b>	<b>586.66</b>
<b>Changes during the year</b>			
Profit for the year		156.60	156.60
<b>Other comprehensive income</b>			
Remeasurement of the net defined benefit plans, net of taxes		0.04	0.04
<b>B. Total changes during the year</b>		<b>156.64</b>	<b>156.64</b>
<b>(A+B) Balance as at March 31, 2020</b>	<b>13</b>	<b>743.30</b>	<b>743.30</b>

(₹ in Lakh)

Particulars	Note	Reserves and Surplus	Total
		Retained Earnings	
<b>A. Balance as at April 1, 2018</b>	<b>13</b>	<b>502.56</b>	<b>502.56</b>
<b>Changes during the year</b>			
Profit for the year		81.93	81.93
<b>Other comprehensive income</b>			
Remeasurement of the net defined benefit plans, net of taxes		2.17	2.17
<b>B. Total changes during the year</b>		<b>84.10</b>	<b>84.10</b>
<b>(A+B) Balance as at March 31, 2019</b>	<b>13</b>	<b>586.66</b>	<b>586.66</b>

As per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

Firm Registration Number 324982E/E300003

**per Vinayak Pujare**

Partner

Membership No.: 101143

Mumbai, July 13, 2020

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

**Vikas Oberoi**

Director

DIN 00011701

Mumbai, July 13, 2020

**Bindu Oberoi**

Director

DIN 00837711

**CASH FLOW STATEMENT**

(₹ in Lakh)

<b>FOR THE YEAR ENDED</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Profit before tax as per Statement of Profit and Loss</b>	<b>208.02</b>	<b>129.14</b>
<b>Adjustments for</b>		
Depreciation and amortisation	4.23	4.90
Interest income (including fair value change in financial instruments)	(19.85)	(14.29)
Interest expenses (including fair value change in financial instruments)	1.76	2.13
Profit on sale of investments (net)	(74.03)	(76.01)
Dividend income	(142.75)	(165.36)
Gain on sale/discarding of property, plant and equipments (net)	(0.00)	(0.01)
Sundry balances written back	(3.73)	(0.35)
<b>Operating cash loss before working capital changes</b>	<b>(26.35)</b>	<b>(119.85)</b>
<b>Movement for working capital</b>		
Increase/(decrease) in trade payables	(393.08)	239.20
Increase/(decrease) in other liabilities	540.37	52.70
Increase/(decrease) in financial liabilities	(963.30)	1,088.81
Increase/(decrease) in provisions	3.22	5.98
(Increase)/decrease in loans	0.02	0.20
(Increase)/decrease in other assets	133.83	(5.37)
(Increase)/decrease in financial assets	(175.96)	(2.12)
(Increase)/decrease in trade receivables	(29.68)	27.30
<b>Cash generated/(used) from operations</b>	<b>(910.93)</b>	<b>1,286.85</b>
Direct taxes (paid)/refund (net)	(165.51)	(157.46)
<b>Net cash inflow/(outflow) from operating activities (A)</b>	<b>(1,076.44)</b>	<b>1,129.39</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Acquisition of property, plant and equipments, intangible assets/ addition/(deletion) to capital work in progress (net)	(6.28)	(1.36)
Interest received	18.37	12.45
Dividend received	142.75	165.36
(Acquisition)/sale of investments (net)	74.03	76.01
(Increase)/decrease in other assets	(72.09)	(103.42)
<b>Net cash inflow/(outflow) from investing activities (B)</b>	<b>156.78</b>	<b>149.04</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from short term unsecured borrowings	64.00	105.00
Repayment of short term unsecured borrowings	(64.00)	(105.00)
<b>Net cash inflow/(outflow) from financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(919.66)</b>	<b>1,278.43</b>
Add: cash and cash equivalents at the beginning of the year	5,347.98	4,069.55
<b>Cash and cash equivalents at the end of the year</b>	<b>4,428.32</b>	<b>5,347.98</b>

## Kingston Property Services Limited

### CASH FLOW STATEMENT (CONTD.) COMPONENTS OF CASH AND CASH EQUIVALENTS

(₹ in Lakh)

AS AT	March 31, 2020	March 31, 2019
Cash on hand	1.13	4.43
Cheques on hand	-	0.73
Balance with banks	188.69	194.19
Fixed deposits with banks, having original maturity of 3 months or less	-	3,841.25
Fixed deposit with banks, having remaining maturity for more than 12 months	(177.15)	-
Add: Short term liquid investment	4,415.65	1,307.38
<b>Cash and cash equivalents at the end of the year</b>	<b>4,428.32</b>	<b>5,347.98</b>

### RECONCILIATION STATEMENT OF CASH AND BANK BALANCES

(₹ in Lakh)

AS AT	March 31, 2020	March 31, 2019
Cash and cash equivalents at the end of the year as per above	4,428.32	5,347.98
Add: Fixed deposit with banks, having remaining maturity for less than 12 months	49.57	154.63
Add: Fixed deposit with banks, having original maturity for more than 12 months	177.15	-
Less: Short term liquid investment (refer note 6)	(4,415.65)	(1,307.38)
<b>Cash and bank balance as per Balance Sheet (refer note 8 and 9)</b>	<b>239.39</b>	<b>4,195.23</b>

Significant accounting policies

1

The accompanying notes form an integral part of the financial statements

As per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

Firm Registration Number 324982E/E300003

**per Vinayak Pujare**

Partner

Membership No.: 101143

Mumbai, July 13, 2020

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

**Vikas Oberoi**

Director

DIN 00011701

Mumbai, July 13, 2020

**Bindu Oberoi**

Director

DIN 00837711

## NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS

### NOTE 1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 NATURE OF OPERATIONS

Kingston Properties Services Limited (the 'Company' or 'KPSL'), a public limited company is incorporated in India under provisions of the Companies Act applicable in India. The Company is engaged primarily in the business of property management and maintenance services.

The Company is headquartered in Mumbai, India. Its registered office is situated at Commerz, 3<sup>rd</sup> Floor, International Business Park, Oberoi Garden City, Off Western Express Highway, Goregaon (East), Mumbai- 400 063.

The Ind AS financial statements for the year ended March 31, 2020 were authorised and approved for issue by the Board of Directors on July 13, 2020.

#### 1.2 SIGNIFICANT ACCOUNTING POLICIES

##### 1.2.1 Basis of preparation

The Ind AS financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

The Ind AS financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The Ind AS financial statements are presented in Indian Rupee ("INR") and all values are presented in INR Lakh and rounded off to the extent of 2 decimals, except when otherwise indicated.

##### 1.2.2 Current/non-current classification

The Company as required by Ind AS 1 presents assets and liabilities in the Balance Sheet based on current/non-current classification.

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

The Company's normal operating cycle in respect of operations relating to the maintenance of real estate is based on 12 months period. Assets and liabilities have been classified into current and non-current based on their respective operating cycle.

##### 1.2.3 Foreign currencies

###### (i) Initial recognition

Foreign currency transactions are recorded in the functional currency (Indian Rupee) by applying to the foreign currency amount, the exchange rate between the functional currency and the foreign currency on the date of the transaction.

###### (ii) Conversion

All monetary items outstanding at year end denominated in foreign currency are converted into Indian Rupees at the reporting date exchange rate. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

###### (iii) Exchange differences

The exchange differences arising on such conversion and on settlement of the transactions are recognised in the Statement of Profit and Loss.

##### 1.2.4 Property, plant and equipments (PPE)

###### (i) Recognition and initial measurement

Property, plant and equipments are stated at cost less accumulated depreciation/amortisation and impairment losses, if any.

Cost comprises the purchase price and any attributable/allocable cost of bringing the asset to its working condition for its intended use. The cost also includes direct cost and other related incidental expenses. Revenue earned, if any, during trial run of assets is adjusted against cost of the assets. Cost also includes the cost of replacing part of the plant and equipments.

Borrowing costs relating to acquisition/construction/development of tangible assets, which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

**NOTE 1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTD.)**

When significant components of property and equipments are required to be replaced at intervals, recognition is made for such replacement of components as individual assets with specific useful life and depreciation, if these components are initially recognised as separate asset. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

**(ii) Subsequent measurement (depreciation and useful lives)**

Depreciation is provided from the date the assets are put to use, on straight line basis as per the useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013.

Plant and machinery	15 years
Furniture and fixtures	10 years
Office equipments*	5 years
Computers	3 years

\*Mobile handsets - 3 years

Depreciation method, useful life and residual value are reviewed periodically.

Leasehold land and improvements are amortised on the basis of duration and other terms of lease.

Assets individually costing less than or equal to ₹ 0.05 lakh are fully depreciated in the year of purchase except under special circumstances.

The carrying amount of PPE is reviewed periodically for impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of assets exceeds its recoverable amount. The recoverable amount is the greater of the asset’s net selling price and value in use.

**(iii) De-recognition**

PPE are derecognised either when they have been disposed of 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 recognised in the Statement of Profit and Loss in the period of de-recognition.

**1.2.5 Intangible assets**

**(i) Recognition and initial measurement**

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost comprises the acquisition price, development cost and any attributable/allocable incidental cost of bringing the asset to its working condition for its intended use.

**(ii) Subsequent measurement (amortisation)**

All intangible assets with definite useful life are amortized on a straight line basis over the estimated useful lives.

Computer Software	5 years
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The carrying amount of intangible asset is reviewed periodically for impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset’s net selling price and value in use.

Gain or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and loss when the asset is derecognised.

**1.2.6 Investment properties**

**(i) Recognition and initial measurement**

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at cost, including transaction costs. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

## NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS

### NOTE 1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### (ii) Subsequent measurement (depreciation and useful lives)

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

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has experience in the category of the investment property being valued.

Investment Properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any, subsequently. Depreciation is provided from the date the assets are put to use, on straight line method as per the useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013.

Assets individually costing less than or equal to ₹ 0.05 lakh are fully depreciated in the year of purchase except under special circumstances.

Leasehold land and improvements are amortised on the basis of duration and other terms of lease.

The carrying amount of investment properties is reviewed periodically for impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of assets exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

When significant components of investment properties are required to be replaced at intervals, recognition is made for such replacement of components as individual assets with specific useful life and depreciation, if these components are initially recognised as separate asset. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

#### (iii) De-recognition

Investment properties are derecognised either when they have been disposed of 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 recognised in the Statement of Profit and Loss in the period of de-recognition.

#### 1.2.7 Capital work in progress

Capital work in progress is stated at cost less impairment losses, if any. Cost comprises of expenditures incurred in respect of capital projects under development and includes any attributable/allocable cost and other incidental expenses. Revenues earned, if any, from such capital project before capitalisation are adjusted against the capital work in progress.

#### 1.2.8 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must be also be met before revenue is recognised.

Revenue is recognised as follows:

##### (i) Revenue from lease rentals and related income

Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease. Revenue from lease rentals is disclosed net of indirect taxes, if any.

Revenue from property management service is recognised at value of service and is disclosed net of indirect taxes, if any.

##### (ii) Finance income

Finance income is recognised as it accrues using the Effective Interest Rate (EIR) method. Finance income is included in other income in the Statement of Profit and Loss.



## NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS

### NOTE 1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

#### (iii) Dividend income

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

#### (iv) Other income

Other incomes are accounted on accrual basis, except interest on delayed payment by debtors and liquidated damages which are accounted on acceptance of the Company's claim.

#### 1.2.9 Leases (refer note 1.4 (i))

The determination of whether a contract is (or contains) a lease is based on the substance of the contract at the inception of the lease. The contract is, or contains, a lease if the contract provide lessee, the right to control the use of an identified asset for a period of time in exchange for consideration. A lessee does not have the right to use an identified asset if, at inception of the contract, a lessor has a substantive right to substitute the asset throughout the period of use.

The Company accounts for the lease arrangement as follows:

##### (i) Where the Company is the lessee

The Company applies single recognition and measurement approach for all leases, except for short term leases and leases of low value assets. On the commencement of the lease, the Company, in its Balance Sheet, recognise the right of use asset at cost and lease liability at present value of the lease payments to be made over the lease term.

Subsequently, the right of use asset are measured at cost less accumulated depreciation and any accumulated impairment loss. Lease liability are measured at amortised cost using the effective interest method. The lease payment made, are apportioned between the finance charge and the reduction of lease liability, and are recognised as expense in the Statement of Profit and Loss.

Lease deposits given are a financial asset and are measured at amortised cost under Ind AS 109 since it satisfies Solely Payment of Principal and Interest (SPPI) condition. The difference between the present value and the nominal value of deposit is considered as prepaid rent and recognised over the lease term. Unwinding of discount is treated as finance income and recognised in the Statement of Profit and Loss.

##### (ii) Where the Company is the lessor

The lessor needs to classify its leases as either an operating lease or a finance lease. Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating lease. The Company has only operating lease and accounts the same as follows:

Assets given under operating leases are included in investment properties. Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Lease deposits received are financial instruments (financial liability) and are measured at fair value on initial recognition. The difference between the fair value and the nominal value of deposits is considered as rent in advance and recognised over the lease term on a straight line basis. Unwinding of discount is treated as interest expense (finance cost) for deposits received and is accrued as per the EIR method.

#### 1.2.10 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.

Effective Interest Rate (EIR) is the rate that exactly discounts the estimated future cash receipts or payments over the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

**NOTE 1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTD.)**

**(i) Financial assets**

**(a) Initial measurement**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset.

**(b) Subsequent measurement**

**i. Financial assets at amortised cost**

Financial assets are measured at the amortised cost, if both of the following criteria are met:

- a.** These assets are held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- b.** Contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

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

Financial assets are classified as FVTOCI if both of the following criteria are met:

- a.** These assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets; and
- b.** Contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Fair value movements are recognised in the Other Comprehensive Income (OCI). On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss.

**iii. Financial assets at fair value through profit or loss (FVTPL)**

Any financial assets, which do not meet the criteria for categorisation as at amortised cost or as FVTOCI, are classified as FVTPL. Gain or losses are recognised in the Statement of Profit and Loss.

**iv. Equity instruments**

Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination are classified as FVTPL, and measured at fair value with all changes recognised in the Statement of Profit and Loss.

**(c) De-recognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition.

When the Company has transferred its rights to receive 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.

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

**NOTE 1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTD.)**

**(d) Impairment of financial assets**

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- i.** Trade receivables; and
- ii.** All lease receivables resulting from transactions within the scope of Ind AS 116.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original EIR.

**(ii) Financial liabilities**

**(a) Initial measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or 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.

The Company's financial liabilities include trade and other payables, loans and borrowings.

**(b) Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR 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 EIR. The EIR amortisation is included as finance cost in the Statement of Profit and Loss.

Intercompany loans not repayable on demand are discounted to its present value using incremental borrowing rate applicable to the borrower entity. The difference between the carrying value of the loan and its present value is accounted based on the relationship with the borrower for e.g. in case of subsidiary, the difference is shown as further equity infusion in the subsidiary. The unwinding of discount from the date of loan to the transition date is shown as an income and recognised in "Retained Earnings" of the Lender.

**(c) De-recognition**

A financial liability (or a part of a financial liability) is derecognised from the Company's financial statement when the obligation specified in the contract 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 the 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.

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

**NOTE 1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTD.)**

**(d) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the financial statement 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.

**(iii) Fair value measurement**

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 measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a)** In the principal market for the asset or liability, or
- (b)** In the absence of a principal market, in the most advantageous market for the asset or liability.

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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

- i.** Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ii.** Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- iii.** Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**1.2.11 Cash and cash equivalents**

Cash and cash equivalent in the financial statement comprise cash at banks and on hand, demand deposit and short-term deposits, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above and short term liquid investments.

**1.2.12 Income taxes**

**(i) Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be refunded from or paid to the taxation authorities using the tax rates and tax laws that are in force at the reporting date.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in Other Comprehensive Income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets current tax assets and current tax liabilities where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

**NOTE 1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTD.)**

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**(ii) Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax 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 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 taxable temporary differences associated with investments in subsidiaries, associates and interests 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.

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.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Such deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Minimum Alternate Tax ("MAT") paid in a year is charged to the Statement of Profit and Loss as current tax for the year. MAT credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Company recognises MAT credit as an asset in accordance with Ind AS 12, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "Deferred Tax". The Company reviews the MAT Credit asset at each reporting date and reduces to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the MAT to be utilised.

**1.2.13 Impairment of non-financial assets**

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less cost of disposals and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value is the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Company Cash Generating Unit's (CGU) to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of 5 years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the 5<sup>th</sup> year. Impairment losses are recognised in the Statement of Profit and Loss in expense categories.

## NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS

### NOTE 1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

An assessment is made at each reporting date as to 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. 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.

#### 1.2.14 Provisions and contingent liabilities

- (i) A provision is recognised when:
  - (a) The Company has a present obligation (legal or constructive) as a result of a past event;
  - (b) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
  - (c) A reliable estimate can be made of the amount of the obligation.
- (ii) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.
- (iii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably may not, require an outflow of resources. A contingent liability also arises in extreme cases where there is a probable liability that cannot be recognised because it cannot be measured reliably.
- (iv) Where there is a possible obligation or a present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### 1.2.15 Borrowing costs

Borrowing costs that are directly attributable to the acquisition/construction of qualifying assets are capitalised as part of their costs.

Borrowing costs are considered as part of the asset cost when the activities that are necessary to prepare the assets for their intended use or sale are in progress.

Borrowing costs consist of interest and other costs that Company incurs in connection with the borrowing of funds. Other borrowing costs are recognised as an expense, in the period in which they are incurred.

#### 1.2.16 Employee benefits

##### (i) Defined contribution plans

Retirement benefits in the form of contribution to provident fund and pension fund are charged to the Statement of Profit and Loss.

##### (ii) Defined benefit plans

Gratuity is in the nature of a defined benefit plan.

Provision for gratuity is calculated on the basis of actuarial valuations carried out at the reporting date and is charged to the Statement of Profit and Loss. The actuarial valuation is computed using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the financial statement with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

##### (iii) Other employee benefits

Leave encashment is recognised as an expense in the Statement of Profit and Loss as and when they accrue. The Company determines the liability using the projected unit credit method, with actuarial valuations carried out as at the reporting date. Actuarial gains and losses are recognised in the Statement of Other Comprehensive Income.

## NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS

### NOTE 1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

#### 1.2.17 Earnings per share

Basic earnings per share is calculated by dividing the net profit/(loss) for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit/(loss) for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

#### 1.3 USE OF JUDGEMENTS AND ESTIMATES

The preparation of Ind AS financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed at each reporting date. Any revision to accounting estimates and assumptions are recognised prospectively i.e. recognised in the period in which the estimate is revised and future periods affected.

##### 1.3.1 Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have a significant effect on the financial statements:

###### (i) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in tax jurisdictions.

##### 1.3.2 Estimates and assumptions

###### (i) Classification of assets and liabilities into current and non-current

The management classifies the assets and liabilities into current and non-current categories based on the operating cycle of the respective business/projects.

###### (ii) Impairment of assets

In assessing impairment, management estimates the recoverable amounts of each asset or CGU (in case of non-financial assets) based on expected future cash flows and uses an estimated interest rate to discount them. Estimation relates to assumptions about future cash flows and the determination of a suitable discount rate.

###### (iii) Useful lives of depreciable/amortisable assets (Property, plant and equipments, intangible assets and investment property)

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected usage of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the usage of certain assets.

###### (iv) Defined benefit obligation (DBO)

The cost of defined benefit gratuity plan and the present value of the gratuity obligation along with leave salary are determined using actuarial valuations. An actuarial valuation involves making various assumptions such as standard rates of inflation, mortality, discount rate, attrition rates and anticipation of future salary increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

###### (v) Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument/assets. Management bases its assumptions on observable data as far as possible but this may not always be available. In that case Management uses the best relevant information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

**NOTE 1. NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTD.)**

**1.4 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES**

**(i) Ind AS 116: Leases**

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the Balance Sheet.

The Company adopted Ind AS 116 using the full retrospective method of adoption, with the date of initial application on April 1, 2019. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 1, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

There is no material impact on profit and loss, other comprehensive income or the basic and diluted earnings per share.

**(ii) Appendix C to Ind AS 12: Uncertainty over Income Tax Treatment**

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately.
- The assumptions an entity makes about the examination of tax treatments by taxation authorities.
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.
- How an entity considers changes in facts and circumstances.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgement in identifying uncertainties over income tax treatments. Since the Company operates in a complex multinational environment, it assessed whether the Appendix had an impact on its financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions. The Company's tax filings in different jurisdictions include various deductions and the taxation authorities may challenge those tax treatments. The Company determined, based on its tax compliance that it is probable that its tax treatments will be accepted by the taxation authorities. The Appendix did not have an impact on the financial statements of the Company.



NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS

(₹ in Lakh)

**NOTE 2. PROPERTY, PLANT AND EQUIPMENTS**

Particulars	Furniture and fixtures	Office equipments	Plant and machinery	Computer	Total
Gross carrying value as at April 1, 2019	1.53	0.17	37.99	11.44	51.13
Additions	-	-	-	5.53	5.53
(Deductions)/(Disposals)	-	-	-	-	-
<b>Gross carrying value as at March 31, 2020</b>	<b>1.53</b>	<b>0.17</b>	<b>37.99</b>	<b>16.97</b>	<b>56.66</b>
Accumulated depreciation as at April 1, 2019	0.87	0.17	10.63	9.92	21.59
Depreciation for the year	0.22	-	2.66	1.29	4.17
(Deductions)/(Disposals)	-	-	-	-	-
<b>Closing accumulated depreciation as at March 31, 2020</b>	<b>1.09</b>	<b>0.17</b>	<b>13.29</b>	<b>11.21</b>	<b>25.76</b>
<b>Net carrying value as at March 31, 2020</b>	<b>0.44</b>	<b>-</b>	<b>24.70</b>	<b>5.76</b>	<b>30.90</b>

The Company has no restrictions on the realisability of its Property, Plant and Equipments and the same are free from any encumbrances.

(₹ in Lakh)

Particulars	Furniture and fixtures	Office equipments	Plant and machinery	Computer	Total
Gross carrying value as at April 1, 2018	1.53	0.17	37.99	10.06	49.75
Additions	-	-	-	1.38	1.38
(Deductions)/(Disposals)	-	-	-	-	-
<b>Gross carrying value as at March 31, 2019</b>	<b>1.53</b>	<b>0.17</b>	<b>37.99</b>	<b>11.44</b>	<b>51.13</b>
Accumulated depreciation as at April 1, 2018	0.65	0.17	7.97	9.28	18.07
Depreciation for the year	0.22	-	2.66	0.64	3.52
(Deductions) / (Disposals)	-	-	-	-	-
<b>Closing accumulated depreciation as at March 31, 2019</b>	<b>0.87</b>	<b>0.17</b>	<b>10.63</b>	<b>9.92</b>	<b>21.59</b>
<b>Net carrying value as at March 31, 2019</b>	<b>0.66</b>	<b>-</b>	<b>27.36</b>	<b>1.52</b>	<b>29.54</b>

(₹ in Lakh)

**NOTE 3. INTANGIBLE ASSETS**

Particulars	Computer Software
Gross carrying value as at April 1, 2019	9.63
Additions	0.76
(Deductions)/(Disposals)	(9.63)
<b>Gross carrying value as at March 31, 2020</b>	<b>0.76</b>
Accumulated amortisation as at April 1, 2019	9.63
Amortisation for the year	0.06
(Deductions)/(Disposals)	(9.63)
<b>Closing accumulated amortisation as at March 31, 2020</b>	<b>0.06</b>
<b>Net carrying value as at March 31, 2020</b>	<b>0.70</b>

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

(₹ in Lakh)

Particulars	Computer Software
Gross carrying value as at April 1, 2018	9.63
Additions	-
(Deductions)/(Disposals)	-
<b>Gross carrying value as at March 31, 2019</b>	<b>9.63</b>
Accumulated amortisation as at April 1, 2018	8.25
Amortisation for the year	1.38
(Deductions)/(Disposals)	-
<b>Closing accumulated depreciation as at March 31, 2019</b>	<b>9.63</b>
<b>Net carrying value as at March 31, 2019</b>	<b>-</b>

(₹ in Lakh)

NOTE 4. OTHER FINANCIAL ASSETS	LONG TERM (NON-CURRENT)		SHORT TERM (CURRENT)	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>Unsecured and considered good</b>				
Accrued income	-	-	78.82	80.00
Fixed deposit with banks, having remaining maturity for more than 12 months (refer note 9)	177.15	-	-	-
	<b>177.15</b>	<b>-</b>	<b>78.82</b>	<b>80.00</b>

Accrued income consist of amount recoverable from tenants on account of contractual obligations.

(₹ in Lakh)

NOTE 5. OTHER ASSETS	LONG TERM (NON-CURRENT)		SHORT TERM (CURRENT)	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>Unsecured and considered good</b>				
Security deposits	14.46	14.45	-	-
<u>Other advances</u>				
Advances to vendors	-	-	18.70	21.21
Advances recoverable in cash or kind	-	-	0.08	0.38
Balance with government authorities	-	-	80.13	131.62
<b>Others</b>				
Prepaid expenses	-	0.35	35.17	114.35
	<b>14.46</b>	<b>14.80</b>	<b>134.08</b>	<b>267.56</b>

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

(₹ in Lakh)

<b>NOTE 6. INVESTMENTS</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Current</b>		
<b>Quoted</b>		
<b>Investment carried at fair value through profit or loss</b>		
<b>Investment in mutual funds</b>		
1,628 (Nil) units of ₹1,000 SBI Premier Liquid Fund - Direct Plan - Growth Option	50.61	-
39,016 (Nil) unit of ₹ 100 each PGIM India Insta Cash Fund -Growth Option	100.79	-
89,245 (Nil) Units of ₹ 1,000 each TATA Liquid Fund -Growth Option	2,795.15	-
1,43,625 (4,61,740) units of ₹10 Sundaram Money Fund - Direct Plan - Growth Option	60.14	181.98
Nil (11,156) units of ₹1,000 each of Kotak Liquid Scheme Plan A - Direct Plan - Growth Option	-	422.17
Nil (6,351) units of ₹1,000 each of DSP BlackRock Liquidity Fund - Direct Plan - Growth Option	-	169.78
93,839 (99,032) units of ₹100 ICICI Prudential Liquid - Direct Plan -Growth Option	275.68	273.74
Nil (86,445) units of ₹100 each of Aditya Birla Sun Life Cash Plus Direct Plan - Growth Option	-	259.71
47,975 (Nil) units of ₹1,000 each of Axis Liquid Fund - Direct Plan - Growth Option	1,079.96	-
1,640 (Nil) units of ₹1,000 each of UTI Liquid Fund- Direct Plan - Growth Option	53.32	-
	<b>4,415.65</b>	<b>1,307.38</b>
<b>Aggregate amount of</b>		
Market value of quoted investments	4,415.65	1,307.38

(₹ in Lakh)

<b>NOTE 7. TRADE RECEIVABLES</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Unsecured and considered good	87.17	57.50
	<b>87.17</b>	<b>57.50</b>

Trade receivables are non-interest bearing and are generally on terms as per the contract/agreement.

(₹ in Lakh)

<b>NOTE 8. CASH AND CASH EQUIVALENTS</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Balances with banks	188.69	194.19
Cheques on hand	-	0.73
Cash on hand	1.13	4.43
Fixed deposits with banks, having original maturity of 3 months or less	-	3,841.25
	<b>189.82</b>	<b>4,040.60</b>

(₹ in Lakh)

<b>NOTE 9. OTHER BANK BALANCES</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Fixed deposit with banks, having remaining maturity for less than 12 months	226.72	154.63
	<b>226.72</b>	<b>154.63</b>
Less : Amount disclosed under non-current asset (refer note 4)	(177.15)	-
	<b>49.57</b>	<b>154.63</b>

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

(₹ in Lakh)

<b>NOTE 10. LOANS</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Unsecured and considered good</b>		
Other loans and advances		
Loans to employees	-	0.02
	-	0.02

(₹ in Lakh)

<b>NOTE 11. CURRENT TAX ASSETS (NET)</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Income tax (net of provisions)	369.50	257.18
	<b>369.50</b>	<b>257.18</b>

**11.1 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate**

(₹ in Lakh)

<b>Particulars</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Accounting Profit before Income Tax</b>	<b>208.02</b>	<b>129.14</b>
Tax on accounting profit at statutory income tax rate of 25.168% (March 31, 2019: 27.82%)	52.35	35.93
Adjustment for expenses disallowed under Income Tax Act	35.58	45.63
Adjustment for expenses allowed under Income Tax Act	(0.48)	0.08
Adjustment for exempted income	(35.93)	(46.00)
Others	1.36	(5.12)
<b>Current Tax Provision</b>	<b>52.88</b>	<b>30.52</b>
Adjustment for Deferred tax	(1.76)	5.57
Adjustment for Short/(excess) provision of tax in earlier years	0.30	11.12
<b>Total Tax expense reported in the Statement of Profit and Loss</b>	<b>51.42</b>	<b>47.21</b>

(₹ in Lakh)

<b>NOTE 12. SHARE CAPITAL</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Authorised share capital</b>		
4,50,000 (4,50,000) equity shares of ₹10 (Rupees Ten only) each	45.00	45.00
	<b>45.00</b>	<b>45.00</b>
<b>Issued, subscribed and paid up share capital</b>		
90,000 (90,000) equity shares of ₹10 (Rupees Ten only) each fully paid up {entire equity shares are held by Oberoi Realty Limited (Holding Company) along with its nominees}	9.00	9.00
	<b>9.00</b>	<b>9.00</b>

**12.1 Reconciliation of shares outstanding at the beginning and at the end of the year**
**Equity shares**

<b>Particulars</b>	<b>March 31, 2020</b>		<b>March 31, 2019</b>	
	<b>in No.</b>	<b>₹ in Lakh</b>	<b>in No.</b>	<b>₹ in Lakh</b>
At the beginning of the year	90,000	9.00	90,000	9.00
Add: Issue of fresh shares on preferential basis	-	-	-	-
<b>At the end of the year</b>	<b>90,000</b>	<b>9.00</b>	<b>90,000</b>	<b>9.00</b>

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

**NOTE 12. SHARE CAPITAL (CONTD.)**

**12.2 Terms/rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share. The Company declares dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

(₹ in Lakh)

<b>NOTE 13. OTHER EQUITY</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Retained earnings</b>		
Opening balance	<b>586.66</b>	<b>502.56</b>
Profit during the year as per Statement of Profit and Loss	156.60	81.93
Items of other comprehensive income recognised directly in retained earnings		
Transfer to retained earnings of re-measurement gains/(losses) on defined benefit plans, net of taxes	0.04	2.17
	<b>743.30</b>	<b>586.66</b>

(₹ in Lakh)

<b>NOTE 14. TRADE PAYABLES</b>	<b>LONG TERM (NON-CURRENT)</b>		<b>SHORT TERM (CURRENT)</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Trade payables (refer note 30)</b>				
Total outstanding dues of micro enterprises and small enterprises	-	-	7.05	14.81
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.43	0.13	92.98	482.32
	<b>0.43</b>	<b>0.13</b>	<b>100.03</b>	<b>497.13</b>

(₹ in Lakh)

<b>NOTE 15. OTHER FINANCIAL LIABILITIES</b>	<b>LONG TERM (NON-CURRENT)</b>		<b>SHORT TERM (CURRENT)</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Financial liabilities measured at amortised cost</b>				
Trade deposits	11.31	13.65	28.76	22.98
Others	-	-	2,969.30	3,936.05
	<b>11.31</b>	<b>13.65</b>	<b>2,998.06</b>	<b>3,959.03</b>

Trade deposits are deposits received from the tenants for leasing of commercial properties. These deposits are interest free and are repayable as per the terms of the contract. These are carried at amortised cost.

Other financial liabilities includes amounts payable to vendors/customers in the usual course of business.

(₹ in Lakh)

<b>NOTE 16. PROVISIONS</b>	<b>LONG TERM (NON-CURRENT)</b>		<b>SHORT TERM (CURRENT)</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Provision for employee benefits (refer note 27)</b>				
Provision for gratuity	-	-	4.58	2.66
Provision for leave salary	3.98	3.02	0.62	0.33
	<b>3.98</b>	<b>3.02</b>	<b>5.20</b>	<b>2.99</b>

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

(₹ in Lakh)

<b>NOTE 17. DEFERRED TAX LIABILITIES (NET)</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Deferred tax liabilities</b>		
On depreciation and amortisation	<b>1.83</b>	<b>1.49</b>
On fair valuation of investments	6.85	8.69
<b>Deferred tax assets</b>		
On other expenses	1.16	0.92
<b>Deferred tax liabilities (net)</b>	<b>7.52</b>	<b>9.26</b>

**17.1 Movement in deferred tax**

(₹ in Lakh)

<b>Particulars</b>	<b>Total</b>
<b>As at April 1, 2018</b>	<b>2.85</b>
- to profit and loss	5.57
- to other comprehensive income	0.84
<b>As at March 31, 2019</b>	<b>9.26</b>
- to profit and loss	(1.76)
- to other comprehensive income	0.02
<b>As at March 31, 2020</b>	<b>7.52</b>

(₹ in Lakh)

<b>NOTE 18. OTHER LIABILITIES</b>	<b>LONG TERM (NON-CURRENT)</b>		<b>SHORT TERM (CURRENT)</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Advances from customers	-	-	97.08	73.64
Revenue received in advance	0.26	0.68	0.97	1.31
<u>Other payables</u>				
Provision for expenses	-	-	1,488.29	945.80
Statutory dues	-	-	82.38	106.90
Others	-	-	0.01	0.01
	<b>0.26</b>	<b>0.68</b>	<b>1,668.73</b>	<b>1,127.66</b>

(₹ in Lakh)

<b>NOTE 19. REVENUE FROM OPERATIONS</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Revenue from operations		
Maintenance and management income	5,555.44	5,362.90
Other operating revenue	11.02	15.48
	<b>5,566.46</b>	<b>5,378.38</b>

(₹ in Lakh)

<b>NOTE 20. OTHER INCOME</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Interest income on		
Bank fixed deposits	18.37	12.45
Financial assets measured at amortised cost	1.49	1.84
Dividend income on investments	142.75	165.36
Profit on sale of investments (net)	74.03	76.01
Gain on sale/discarding of property, plant and equipments (net)	0.00	0.01
	<b>236.64</b>	<b>255.67</b>

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

(₹ in Lakh)

<b>NOTE 21. OPERATING COSTS</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Advertisement and marketing expenses	384.55	345.83
Customer services	6.57	4.95
Electricity charges	2,329.33	2,234.72
Facility management charges	201.06	173.79
Gas charges	94.95	119.14
Housekeeping charges	376.47	352.03
HVAC works	21.42	34.74
Infodesk expenses	3.39	1.58
Insurance charges	3.34	2.18
Inspection charges	1.08	-
Kitchen and food audit	1.74	1.52
Landscaping and horticulture	25.36	24.84
Materials, structural, labour and contract cost	260.51	296.58
Music licenses	5.17	5.30
Mystery audit fees	0.88	0.82
Parking expenses	80.75	73.87
Pest control expenses	16.42	11.21
Profit sharing	86.44	62.37
Repairs and maintenance		
Building	0.00	0.78
Plant and machinery	272.98	246.67
Others	207.78	227.35
Security expenses	516.98	471.51
Water charges	105.26	104.62
	<b>5,002.43</b>	<b>4,796.40</b>

(₹ in Lakh)

<b>NOTE 22. EMPLOYEE BENEFITS EXPENSE</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Employee costs	296.37	370.08
Contribution to provident fund, gratuity and others	19.37	27.71
Staff welfare expenses	14.17	20.60
	<b>329.91</b>	<b>418.39</b>

(₹ in Lakh)

<b>NOTE 23. FINANCE COST</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Interest expenses		
Financial liabilities at amortised cost	1.76	2.13
	<b>1.76</b>	<b>2.13</b>

(₹ in Lakh)

<b>NOTE 24. DEPRECIATION AND AMORTISATION</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Depreciation on property, plant and equipments	4.17	3.52
Amortisation of intangible assets	0.06	1.38
	<b>4.23</b>	<b>4.90</b>

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

(₹ in Lakh)

<b>NOTE 25. OTHER EXPENSES</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Books and periodicals expenses	0.08	0.03
Communication expenses	1.87	1.68
Contribution towards corpus	145.49	167.58
Conveyance and travelling expenses	0.26	0.29
Hire charges	10.54	10.93
Information technology expenses	13.77	14.25
Legal and professional charges	50.06	47.89
Membership and subscription charges	-	0.02
Miscellaneous expenses	29.87	28.57
Printing and stationery expenses	3.18	8.38
Payment to auditor (refer note below)	1.12	1.05
Rent expenses	0.51	2.42
	<b>256.75</b>	<b>283.09</b>

**Note : Payment to auditor**

(₹ in Lakh)

<b>Particulars</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>As auditor</b>		
Statutory audit fees	1.12	1.05
	<b>1.12</b>	<b>1.05</b>

(₹ in Lakh)

<b>NOTE 26. EARNINGS PER SHARE (EPS)</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Profit after tax as per Statement of Profit and Loss	156.60	81.93
Weighted average number of equity shares for basic and diluted EPS (In No.)	90,000	90,000
Face value of equity share (₹)	10.00	10.00
<b>Basic and diluted earnings per share (₹)</b>	<b>174.00</b>	<b>91.04</b>

**NOTE 27. EMPLOYEE BENEFITS**
**27.1 Defined contribution plans**

(₹ in Lakh)

<b>Particulars</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Employer's contribution to provident fund	9.80	14.20
Employer's contribution to pension fund	4.38	3.96
Employer's contribution to ESIC	0.18	0.24
Labour welfare fund contribution for workmen	0.01	0.01



NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS

NOTE 27. EMPLOYEE BENEFITS (CONTD.)

27.2 Benefit plans

(₹ in Lakh)

Particulars	DEFINED BENEFITS		OTHER EMPLOYEE BENEFITS	
	GRATUITY		LEAVE ENCASHMENT	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>i) Change in present value of obligations</b>				
Present value obligation at the beginning of the year	26.01	22.65	3.35	3.05
Interest cost	1.92	1.67	0.24	0.21
Service cost	4.83	6.45	1.00	1.29
Re-measurement (gain)/loss	(0.34)	(0.01)	0.06	(0.75)
Benefit paid	-	(7.95)	(0.05)	(0.45)
Employee's transfer	-	3.20	-	-
<b>Present value obligation at the end of the year</b>	<b>32.42</b>	<b>26.01</b>	<b>4.60</b>	<b>3.35</b>
<b>ii) Change in fair value of plan assets</b>				
Fair value of plan assets at the beginning of the year	23.35	26.34	-	-
Return on plan asset	1.75	2.00	-	-
Employer's contribution	3.02	0.46	-	-
Return on plan assets , excluding amount recognised in net interest expense	(0.28)	(0.70)	-	-
Benefit paid	-	(7.95)	-	-
Employee's transfer	-	3.20	-	-
<b>Closing balance of fair value of plan assets</b>	<b>27.84</b>	<b>23.35</b>	<b>-</b>	<b>-</b>
<b>iii) Amount recognised in the balance sheet</b>				
Present value of obligation at the end of year	32.42	26.01	4.60	3.35
Fair value of plan assets at the end of the year	27.84	23.35	-	-
<b>Net assets/(liabilities) recognised in the balance sheet</b>	<b>(4.58)</b>	<b>(2.66)</b>	<b>(4.60)</b>	<b>(3.35)</b>
<b>(iv) Expenses recognised in Statement of Profit and Loss</b>				
Current service cost	4.83	6.45	1.00	1.29
Interest cost	1.92	1.67	0.24	0.21
Return on plan asset	(1.75)	(2.00)	-	-
Employee's transfer	-	3.20	-	-
Re-measurement (gain)/loss	-	-	0.06	(0.75)
<b>Expenses recognised in Statement of Profit and Loss</b>	<b>5.00</b>	<b>9.32</b>	<b>1.30</b>	<b>0.75</b>
<b>v) Expense recognised in other comprehensive income</b>				
Re-measurement (gain)/loss	(0.34)	(0.01)	-	-
Return on plan assets, excluding amount recognised in net interest expense	0.28	0.70	-	-
	<b>(0.06)</b>	<b>0.69</b>	<b>-</b>	<b>-</b>
<b>Total (income)/expenses</b>	<b>4.94</b>	<b>10.01</b>	<b>1.30</b>	<b>0.75</b>

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

**NOTE 27. EMPLOYEE BENEFITS (CONTD.)**

(₹ in Lakh)

Particulars	DEFINED BENEFITS		OTHER EMPLOYEE BENEFITS	
	GRATUITY		LEAVE ENCASHMENT	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>vi) Movement in the liability recognised in balance sheet</b>				
Opening net liability	(2.66)	3.69	(3.35)	(3.05)
(Income)/expenses as above	(4.94)	(10.01)	(1.30)	(0.75)
Employee's transfer	-	3.20	-	-
Contribution paid	3.02	0.46	0.05	0.45
<b>Closing net assets/(liabilities)</b>	<b>(4.58)</b>	<b>(2.66)</b>	<b>(4.60)</b>	<b>(3.35)</b>
<b>vii) Classification of defined benefit obligations</b>				
Current portion	(4.58)	(2.66)	(0.62)	(0.33)
Non-current portion	-	-	(3.98)	(3.02)

Actuarial assumptions	DEFINED BENEFITS		OTHER EMPLOYEE BENEFITS	
	GRATUITY		LEAVE ENCASHMENT	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Interest/discount rate	6.70%	7.50%	6.70%	7.50%
Annual expected increase in salary cost	8.00%	8.00%	8.00%	8.00%

**27.3 General Description of significant defined and other employee benefit plans**

**(i) Gratuity plan**

Gratuity is payable to all eligible employees of the Company on death or on resignation, or on retirement after completion of five years of service.

**(ii) Leave plan**

Eligible employees can carry forward defined leave as per HR policy in month of April of every year during tenure of service or encash the same on death, permanent disablement or resignation.

**27.4 Broad category of plan assets relating to gratuity as a percentage of total plan assets as at,**

Particulars	March 31, 2020	March 31, 2019
Government of India securities	NIL	NIL
High quality corporate bonds	NIL	NIL
Equity shares of listed companies	NIL	NIL
Property	NIL	NIL
Policy of insurance	100%	100%
	<b>100%</b>	<b>100%</b>

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

**NOTE 27. EMPLOYEE BENEFITS (CONTD.)**

**27.5 Re-measurement (gains) and losses-experience history**

(₹ in Lakh)

Particulars	DEFINED BENEFITS		OTHER EMPLOYEE BENEFITS	
	GRATUITY		LEAVE ENCASHMENT	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>(Gains)/losses on obligation due to change in assumption</b>				
Re-measurement (gains)/losses on obligation due to change in demographic assumption (e.g. employee turnover and mortality)	(0.15)	1.27	(0.01)	0.06
Re-measurement (gains)/losses on obligation due to change in financial assumption (e.g. future increase in salary)	3.37	0.33	0.45	0.04
Re-measurement (gains)/losses on obligation due to change in experience variance (i.e. actual experience vs assumptions)	(3.56)	(1.61)	(0.38)	(0.85)
	<b>(0.34)</b>	<b>(0.01)</b>	<b>0.06</b>	<b>(0.75)</b>

**27.6 Sensitivity analysis**

A quantitative sensitivity analysis for significant assumption is as follows:

(₹ in Lakh)

Particulars	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
<b>Gratuity</b>				
Discount Rate (-/+ 1%)	28.57	37.12	23.38	29.01
Salary Growth Rate (-/+ 1%)	37.03	28.56	28.97	23.36
Attrition Rate (-/+ 50%)	30.91	34.44	24.84	27.77
<b>Leave</b>				
Discount Rate (-/+ 1%)	4.08	5.22	3.01	3.76
Salary Growth Rate (-/+ 1%)	5.21	4.08	3.75	3.01
Attrition Rate (-/+ 50%)	4.50	4.73	3.34	3.35

**27.7 Expected employer's contribution in future years**

(₹ in Lakh)

Particulars	DEFINED BENEFITS		OTHER EMPLOYEE BENEFITS	
	GRATUITY		LEAVE ENCASHMENT	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1 year	4.49	0.84	0.61	0.33
Between 2 and 5 years	4.65	6.49	1.07	0.78
Between 6 and 10 years	5.39	6.17	0.58	0.72
Beyond 10 years	88.14	74.20	11.77	9.37
<b>Total expected payments</b>	<b>102.67</b>	<b>87.70</b>	<b>14.03</b>	<b>11.20</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 12 years (12 years).

**27.8 Risk exposure**

**(i) Asset volatility:**

The plan liabilities are calculated using the discount rate set with reference to Government securities bond yields; if plan assets underperform this yield, this will create a deficit.

**(ii) Change in Government securities bond yields:**

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.



**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

**NOTE 30. DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

(₹ in Lakh)

Particulars	March 31, 2020	March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount	7.05	14.81
Interest amount	-	-
- The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
- 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 period) but without adding the interest specified under the MSMED Act, 2006.	-	-
- The amount of interest accrued and remaining unpaid at the end of each accounting period.	-	-
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

The amount of interest due and payable for the year due to delay in making payment under Micro, Small and Medium Enterprise Development Act, 2006 is ₹ Nil (₹ Nil). No interest is accrued/unpaid for the current year.

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**NOTE 31. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT**

**31.1 Accounting classification**

The carrying value of financial instruments by categories is as follows:

(₹ in Lakh)

Particulars	CARRYING VALUE					
	As at March 31, 2020			As at March 31, 2019		
	At Cost	Fair Value through profit or loss	Amortised Cost	At Cost	Fair Value through profit or loss	Amortised Cost
<b>Financial assets</b>						
Cash and cash equivalents	-	-	189.82	-	-	4,040.60
Other bank balances	-	-	49.57	-	-	154.63
Trade receivables	-	-	87.17	-	-	57.50
Loans	-	-	-	-	-	0.02
Investments:						
Investment in mutual funds	-	4,415.65	-	-	1,307.38	-
Other financial assets	-	-	255.97	-	-	80.00
	<b>-</b>	<b>4,415.65</b>	<b>582.53</b>	<b>-</b>	<b>1,307.38</b>	<b>4,332.75</b>
<b>Financial liabilities</b>						
Trade payables	-	-	100.46	-	-	497.26
Other financial liabilities	-	-	3,009.37	-	-	3,972.68
	<b>-</b>	<b>-</b>	<b>3,109.83</b>	<b>-</b>	<b>-</b>	<b>4,469.94</b>

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

**NOTE 31. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)**

**31.2 Fair Values**

The table which provides the fair value measurement hierarchy of the Company's assets and liabilities is as follows:

(₹ in Lakh)

March 31, 2020	CARRYING VALUE	FAIR VALUE		
		Level 1	Level 2	Level 3
<b>Financial assets</b>				
Investments at fair value through profit or loss:				
Investment in mutual funds	4,415.65	4,415.65	-	-
	<b>4,415.65</b>	<b>4,415.65</b>	-	-
<b>Financial liabilities at amortised cost</b>				
Other financial liabilities	40.07	-	38.77	-
	<b>40.07</b>	-	<b>38.77</b>	-

(₹ in Lakh)

March 31, 2019	CARRYING VALUE	FAIR VALUE		
		Level 1	Level 2	Level 3
<b>Financial assets</b>				
Investments at fair value through profit or loss:				
Investment in mutual funds	1,307.38	1,307.38	-	-
	<b>1,307.38</b>	<b>1,307.38</b>	-	-
<b>Financial liabilities at amortised cost</b>				
Other financial liabilities	36.63	-	33.63	-
	<b>36.63</b>	-	<b>33.63</b>	-

The management assessed that carrying amount of cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets and trade payable approximate their fair values largely due to the short-term maturities of these instruments.

**31.3 Measurement of fair values**

The tables which shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used is as follows.

**Financial instruments measured at fair value**

(₹ in Lakh)

Type	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value Change in discount rate by 500 basis points would increase/ (decrease) as below (₹ in Lakh)
<b>Financial Liabilities:</b>				
- Trade deposits	Discounted cash flow technique- The fair value is estimated considering net present value calculated using discount rates derived from quoted prices of similar instruments with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.	Discount rate	8.62%	1/(1)

## NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS

### NOTE 31. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)

#### Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the respective period presented above.

#### 31.4 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk ;
- (ii) Liquidity risk ; and
- (iii) Market risk

#### Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors are responsible for developing and monitoring the Company's risk management policies.

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 and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

#### (i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of the financial assets which represents the maximum credit exposure is as follows:

#### (a) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, credit risk with regards to trade receivable is almost negligible in case of its maintenance business. The same is due to the fact that the Company keep 3 to 12 months rental as deposit from the occupants.

No impairment is observed on the carrying value of trade receivable.

#### (b) Cash and cash equivalents

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed periodically by the Company and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

#### (ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank overdrafts, bank loans and inter-corporate loans.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**
**NOTE 31. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTD.)**
**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in Lakh)

March 31, 2020	CONTRACTUAL CASH FLOWS				
	Carrying amount	Within 1 year	1-2 years	2-5 years	More than 5 years
Trade payables	100.46	100.03	0.43	-	-
Other financial liabilities	3,009.37	2,998.06	11.31	-	-
	<b>3,109.83</b>	<b>3,098.09</b>	<b>11.74</b>	-	-

(₹ in Lakh)

March 31, 2019	CONTRACTUAL CASH FLOWS				
	Carrying amount	Within 1 year	1-2 years	2-5 years	More than 5 years
Trade payables	497.26	497.13	0.13	-	-
Other financial liabilities	3,972.68	3,959.02	13.66	-	-
	<b>4,469.94</b>	<b>4,456.15</b>	<b>13.79</b>	-	-

**(iii) Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of certain commodities. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities. The objective of market risk management is to avoid excessive exposure to these risks in our revenues and costs.

**(a) Currency risk**

The Company is not exposed to currency risk on account of its other payables in foreign currency. The functional currency of the Company is Indian Rupee.

**(b) Interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company does not have any long term external borrowing as on March 31, 2020.

**31.5 Capital Management**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest and non interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations.

The Company's adjusted net debt to adjusted equity ratio is as follows.

(₹ in Lakh)

Particulars	March 31, 2020	March 31, 2019
Borrowings	-	-
Less : Cash and cash equivalent (including investment in mutual funds)	4,605.47	5,347.99
<b>Adjusted net debt</b>	<b>(4,605.47)</b>	<b>(5,347.99)</b>
Total equity	752.30	595.66
<b>Adjusted equity</b>	<b>752.30</b>	<b>595.66</b>
Adjusted net debt to adjusted equity ratio	(6.12)	(8.98)



**NOTES FORMING PART OF IND AS FINANCIAL STATEMENTS**

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**NOTE 32.**

Since the operations of the Company involves only property management and maintenance and one geographical segment, therefore, the segment information as required by Ind AS 108 Segment Reporting is not disclosed.

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**NOTE 33.**

The Company's operations were impacted by the Covid 19 pandemic. In preparation of these financials, the Company has taken into account internal and external sources of information to assess possible impacts of the pandemic, including but not limited to assessment of liquidity and going concern, recoverable values of its financial and non-financial assets, impact on revenues. Based on current indicators of future economic conditions, the Company has sufficient liquidity and expects to fully recover the carrying amount of its assets. Considering the evolving nature of the pandemic, its actual impact in future could be different from that estimated as at the date of approval of these financials. The Company will continue to monitor any material changes to future economic conditions.

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**NOTE 34.**

Previous year figures have been regrouped, re-arranged and re-classified wherever necessary to conform to current year's classification.

As per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

Firm Registration Number 324982E/E300003

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

**per Vinayak Pujare**

Partner

Membership No.: 101143

Mumbai, July 13, 2020

**Vikas Oberoi**

Director

DIN 00011701

Mumbai, July 13, 2020

**Bindu Oberoi**

Director

DIN00837711