



## INDEPENDENT AUDITOR'S REPORT

To the Members of  
M/s. AKARSH RESIDENCE PRIVATE LIMITED  
CIN :U45201KA2009PTC051265  
Bangalore.

### **Report on the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of *M/s.Akarsh Residence Private Limited, ("the Company")* which comprises the Balance Sheet as at March 31, 2022 and the Standalone Statement of Profit and Loss, and the Standalone Statement of Cash Flows for the year then ended on that date and notes to the Standalone financial statements including a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as the "Standalone Financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by 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, 2022, and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the financial statement as a whole and in forming our opinion thereon and





we do not provide a separate opinion on these matters. We have not determined any matters described to be the key audit matters to be communicated in our report

### **Information Other than the Financial Statements and Auditor's Report Thereon**

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

### **Responsibility of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

That Board of Directors is also responsible for overseeing the company's financial reporting process

### **Auditor's Responsibility for the Audit of the Financial Statements**





**V. Dwarakanath**

*B.Com., F.C.A., LL.B., I.S.A*



**VANKADARI ASSOCIATES**

*Chartered Accountants*

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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







We communicate with those charged with governance of the company 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

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 Companies Act, 2013, we give in the "Annexure -A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 standalone Balance Sheet, the standalone Statement of Profit and Loss and Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".





g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the company has not paid any managerial remuneration during the year, accordingly the question of compliance with the provisions of section 197 of the Act does not arise.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has no pending litigation which could impact on the financial position in its financial statements.
- ii The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii The company is not required to transfer any amount to the Investor Education and Protection Fund.

UDIN:22025629AXKWDW3087  
DATE :23.08.2022  
PLACE: Bangalore

For Vankadari Associates  
Chartered Accountants  
Firm Number : 0043075



V. Dwarakanath  
Proprietor  
Membership No. : 025629





Annexure to the Auditor's Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31,2022, we report that:

- (i) The company has no fixed assets. Thus the clause 3(i)(a), (b) & (c) of the order regarding physical verification of fixed assets and maintenance of records is not applicable
- (ii) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification of stocks as compared to book records.
- (iii) In respect of the loans, secured or unsecured granted by the companies to companies, firms or other parties covered in the register maintained under section 189 of the Act.
  - a. According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not provided loans or advances in the nature of loans or provided security to any other entity. The Company has provided a guarantee to other parties. The aggregate amount of guarantees provided during the year and balance outstanding at the balance sheet date with respect to such guarantees for other entities are as follows.

Assets under charge	Borrower	Transactions during the year Rs.in Lakhs	Balance outstanding on reporting date Rs.in Lakhs
Immovable property or any interest therein; Book debts; Movable property (not being pledge); Receivables and others as per attached documents	Adarsh Developers	-	547.99
Immovable property or any interest therein; Book debts; Movable property (not being pledge); project receivables, all cash flows and others.	Akarsh Residence Private Limited	-	9131.11
Book debts; Movable property (not being pledge); as per the attached DOH	Adarsh Realty & Hotels Private Limited	69,100.00	45,474.46
Book debts; Movable property (not being pledge); as per the attached DOH	Adarsh Nivas Private Limited	14,400.00	14,400.00
Book debts; Floating charge; Movable property (not being pledge); As per Deed of Hypothecation	Alekya Properties Private Limited	31,500.00	31,500.00
Book debts; Floating charge; Movable property (not being pledge); As per Deed of Hypothecation	ShreshtaInfra Projects Private Limited	58,500.00	58,500.00





- b. The schedule of repayment of principal has been stipulated and repayment of the principal amount has been regular as per stipulation  
c. There is no overdue amount as at the yearend in respect of principle

- (iv) In our opinion and according to the information and explanation given to us, the company has complied with the provision of section 185 and 186 of the Act with respect to loan and investment made
- (v) During the year the company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 of the Companies Act 2013 and the rules framed there under apply.
- (vi) The maintenance of cost records has not been prescribed by the Central Government under sub sec. (1) of sec 148 of the Companies Act, 2013 for the year under report for any of the products of the Company
- (vii) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, GST and other material statutory dues applicable to it.
- (viii) The company has not defaulted in repayment of dues to a financial institution or bank.
- (ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loan availed during the year have been applied for the purpose for which they were availed.
- (x) According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanation given to us and based on examination of the records of the company, the company has not paid/provided for managerial remuneration.
- (xii) In our opinion and according to the information and explanation given to us, the company is not a nidhi company. Accordingly paragraph 3 (xii) of the order is not applicable
- (xiii) According to the information and explanation given to us and based on examination of the records of the company, the transaction with the related parties are in compliance with section 177 & 188 of the act where applicable and details of such transaction has been disclosed in the financial statement as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us and based on examination of the records of the company, the company has not made any private placement of shares and the requirement of section 42 of companies act 2013 have been complied





with and the amount raised has been used for the purpose for which the funds were raised.

- (xv) Based on the information and explanations provided to us, the Company does not have an Internal Audit system and is required to form an internal audit system as per Section 138 of the Companies Act, 2013.
- (xvi) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvii) According to the information and explanation given to us and based on examination of the records of the company, the company has not entered into non cash transaction with directors or person connected with him. Accordingly, paragraph 3 (xv) of the order is not applicable
- (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not a Core Investment Company(CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable to the Company.
- (c) According to the information and explanations provided to us during the course of audit, the Group (Group means companies in the Group as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a







period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) In our opinion and according to the information and explanations given to us, there is an unspent amount towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer. Detail of unspent amount towards Corporate Social Responsibility (CSR) on ongoing projects is given below.

(Rs. In Lakhs)

Relevant financial year	Amount identified for spending on Corporate Social Responsibility activities "other than Ongoing Projects"	Unspent amount of (b)	Amount Transferred to Fund specified in Schedule VII to the Act	Due date of transfer to the specified fund	Actual date of transfer to the specified fund	Number of days of delay if any
a	b	c	d	e	f	g
2021-22	3.61	3.61	Nil	Within 3 years	Company has time to transfer the amount to Fund	N A

- b) There are no ongoing CSR projects. Accordingly, clause 3(xx)(b) of the Order is not applicable to the Company.

UDIN:22025629AXKWDW3087  
DATE : 23.08.2022  
PLACE: Bangalore

For Vankadari Associates  
Chartered Accountants  
Firm Number : 0045095



V. Dwarakanath  
Proprietor  
Membership No. : 025629



Report on the Internal Financial Controls under Clause (j) 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 *M/s. Akarsh Residence Private Limited, ("the Company")* as of March 31, 2022 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 ("Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation and presentation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

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

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







of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 Company's internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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





**Opinion**

In our opinion, based on the test checks conducted by us, the Company has, in all material respects, reasonably adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were prima facie operating effectively as at March 31 2022, 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 Vankadari Associates  
Chartered Accountants  
Firm Number: 0045078



V. Dwarakanath  
Proprietor

Membership No. : 025629

UDIN: 22025629AXKWDW3087  
DATE : 23.08.2022  
PLACE: Bangalore



**AKARSH RESIDENCE PRIVATE LIMITED**

CIN U45201KA2009PTC051265

No 2/4 3rd Floor Langford garden, Richmond Town Bangalore-560025

**BALANCE SHEET AS AT 31st MARCH, 2022**

Particulars	Note	As at	As at
		31st March, 2022	31st March, 2021
		(Rs. in Lakhs)	(Rs. in Lakhs)
<b>I. EQUITY AND LIABILITIES:</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	1.00	1.00
(b) Reserves and Surplus	3	14,409.84	10,280.27
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	4	14,345.64	17,662.00
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings		-	-
(a) Trade payables	5	600.45	13,688.41
(b) Other current liabilities	6	8,118.11	17,113.51
(d) Short-term provisions	7	1,600.56	377.38
<b>Total</b>		<b>39,075.59</b>	<b>59,122.58</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(b) Deferred tax assets (net)		-	-
(c) Long term loans and advances	8	6,790.00	6,790.00
(c) Other non-current assets		-	-
<b>(2) Current assets</b>			
(a) Current investments	9	322.41	319.04
(b) Inventories	10	7,208.05	8,833.36
(c) Trade Receivables	11	978.64	1,009.92
(d) Cash and cash equivalents	12	961.80	131.58
(e) Short-term loans and advances	13	18,413.44	33,004.00
(d) Other Current Assets	14	4,401.26	9,034.68
<b>Total</b>		<b>39,075.59</b>	<b>59,122.58</b>

As per our report of even date,

For Vankadari Associates

Chartered Accountants

V. Dwarakanath

Proprietor

Membership No. : 025629

Firm Number : 004507S



for and on behalf of the board of Director of,  
**Akarsh Residence Private Limited**

B M Jayeshankar  
Managing Director  
DIN:00745118

B M Karunesh  
Director  
DIN:00693174

Place : Bangalore

Date : 23.08.2022

**AKARSH RESIDENCE PRIVATE LIMITED**  
 CIN U45201KA2009PTC051265  
 No 2/4 3rd Floor Langford garden, Richmond Town Bangalore-560025  
**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022**

Particulars	Note	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
		(Rs. in Lakhs)	(Rs. in Lakhs)
<b>I. Income From Operations:</b>			
(a) Net Sales/ income from operations	15	13,916.31	2,986.60
(b) Other Non-Operating Income	16	0.07	3.84
<b>II. Total Revenue</b>		<b>13,916.38</b>	<b>2,990.43</b>
<b>III. Expenses:</b>			
(a) (Increase)/Decrease in WIP		1,647.77	(200.98)
(b) Land Cost		4,633.42	318.30
(c) Cost of materials consumed	17	522.75	266.23
(d) Financial costs	18	1,543.27	788.15
(e) Other expenses	19	43.80	751.50
<b>Total Expenses</b>		<b>8,391.01</b>	<b>1,923.21</b>
IV. Profit/(Loss) before exceptional and extraordinary items and tax	(II - III)	5,525.37	1,067.23
V. Exceptional Items		-	-
VI. Profit/(Loss) before extraordinary items and tax (IV - V)		5,525.37	1,067.23
VII. Extraordinary Items		-	-
<b>VIII. Profit before tax (VI - VII)</b>		<b>5,525.37</b>	<b>1,067.23</b>
IX. Tax expense:			
(1) Current tax		1,390.63	164.88
(2) Deferred tax		-	-
(3) Income tax of earlier years		5.18	(1.44)
X. Profit(Loss) from the period from continuing operations	(VIII-IX)	4,129.56	903.79
XII. Profit/(Loss) from discontinuing operations			
XIII. Tax expense of discontinuing operations			
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)			
<b>XI. Profit/(Loss) for the period</b>		<b>4,129.56</b>	<b>903.79</b>
Amount Transferred to Balance Sheet		4,129.56	903.79
XII. Earning per equity share:			
(1) Basic		0.41	0.09
(2) Diluted		0.41	0.09

See Accounting Notes forming part of the Financial Statements

As per our report of even date,  
 For Vankadari Associates  
 Chartered Accountants

V. Dhanalakshmi

Proprietor

Membership No. : 025629

Firm Number : 004507S



for and on behalf of the board of Director of,  
**Akarsh Residence Private Limited**

B M Jayeshankar  
 Managing Director  
 DIN:00745118

B M Karunesh  
 Director  
 DIN:00693174

Place : Bangalore  
 Date : 23.08.2022



**AKARSH RESIDENCE PRIVATE LIMITED**

**Cash Flow Statement for the Year Ended 31st March , 2022**

		( Rs. in Lakhs)	( Rs. in Lakhs)
PARTICULARS		For the Year Ended 31st March 2022	For the Year Ended 31st March 2021
<b>A.</b>	<b>Cash Flow From Operating Activities</b>		
	Net Profit Before Tax and extraordinary items	5,525.37	1,067.23
	Adjustments For :		
	Depreciation / Amortisation	-	-
	Provision for gratuity / leave encashment	-	-
	Dividend Income	-	-
	Interest received	(0.07)	(0.20)
		(0.07)	(0.20)
	Cash Operating Profit before working capital changes	5,525.30	1,067.03
	Adjustments For :		
	Increase/(Decrease) in Short Term Borrowings	-	-
	Increase/(Decrease) in Trade Payables	(13,087.97)	264.82
	Increase/(Decrease) in Short Term Provisions	1,223.18	118.47
	(Increase) /Decrease in Inventories & Trade Receivables	1,656.60	293.63
	(Increase) /Decrease in Short term Loans and Advances	14,590.56	(1,776.17)
		4,382.37	(1,099.25)
	Cash Generated from Operating Activities	9,907.67	(32.23)
	Interest Paid		
	Direct Taxes Paid	(1,395.81)	(163.44)
	Net Cash From Operating Activities	8,511.86	(195.67)
<b>B.</b>	<b>Cash Flow From Investing Activities</b>		
	Purchase of Fixed Assets	-	-
	Investment in Long Term Loans, advances and Deposits	4,633.42	318.30
	Sale of Fixed Assets	-	-
	Purchase of Investments	(3.37)	110.24
	Sale of Investments	-	-
	Interest Received	0.07	0.20
	Dividend Received	-	-
		4,630.13	428.74
Add Surc	Net Cash Used In Investing Activities		
<b>C.</b>	<b>Cash Flow From Financing Activities</b>		
	Warrants		
	Proceeds from Borrowings	(12,311.77)	(105.53)
	Proceeds from securities premium	-	-
	Equity Share Capital	-	-
	Dividend Paid (Including tax on dividend)	-	-
		(12,311.77)	(105.53)
	Net Cash from Financing Activities	830.22	127.55
	Net Change in cash and cash equivalents (A+B+C)	131.58	4.03
	Net cash and cash equivalent at the beginning of the year	961.80	131.58
	Net cash and cash equivalent at the closing of the year		

For Vankadari Associates  
Chartered Accountants

V. Swarakanath  
Proprietor

Membership No. : 025629  
Firm Number : 004507S

Place : Bangalore  
Date : 23.08.2022



for and on behalf of the board of Director of,  
Akarsh Residence Private Limited

B M Jayeshankar  
Managing Director

B M Karunesh  
Director

## AKARSH RESIDENCE PRIVATE LIMITED

## NOTES TO BALANCE SHEET

Particulars	As at 31st March, 2022		As at 31st March, 2021		
	(Rs. in Lakhs)		(Rs. in Lakhs)		
<b>Note : 2 Share Capital</b>					
AUTHORISED SHARE CAPITAL : 1,00,000 Equity Shares of Rs. 10/- each with voting rights (Previous Year 1,00,000 Equity Shares of Rs. 10/- each)	10.00		10.00		
ISSUED ,SUBSCRIBED & PAID UP CAPITAL : 10,000 Equity Shares of Rs. 10 each with voting rights fully paid up (Previous Year 10,000 Equity Shares of Rs. 10/- each)	1.00		1.00		
	1.00		1.00		
<b>Note : 3 Reserve &amp; Surplus</b>					
<b>Reserves &amp; Surplus</b>					
As at Commencement of the Year	10,280.27		9,376.49		
Add : Transferred from Profit and Loss Account	4,129.56		903.79		
	14,409.84		10,280.27		
<b>Note : 4 Long-Term Borrowings</b>					
<b>A) Secured Loans</b>					
<b>From Banks and Financial Institutions :</b>					
L & T Finance Ltd	9,131.11		10,155.00		
<b>Secured Debentures :</b>					
India Housing Finance	-		5,568.54		
PHL Finvest Pvt Ltd	-				
<b>B) Unsecured Loans</b>					
<b>Loans and Advances from Related Party</b>					
Shreshta Infra Projects Private Limited	3,276.07		-		
<b>From Others:</b>					
Sammy's Dream Land Co Pvt Ltd	1,938.46		1,938.46		
	14,345.64		17,662.00		
<b>Note : 5 Trade Payable</b>					
Sundry Creditors					
Dues to Micro and Small Enterprises	-		-		
Dues to Others	600.45		13,688.41		
	600.45		13,688.41		
<b>Trade payables ageing schedule for the year ended as on March 31, 2022 ,March 31, 2021:</b> (Rs. in Lakhs)					
<b>Particulars</b>	<b>Less than One Year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
Outstanding dues to MSME	-	-	-	-	-
Outstanding dues to MSME (previous year)	-	-	-	-	-
Others	312.16	(188.49)	159.38	317.40	600.45
Others ( previous year )	(188.49)	159.38	317.40	13,400.12	13,688.41
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
<b>Note : 6 Other Current Liabilities</b>					
Advance Recd from Customers			6,874.14		15,933.98
Maintenance Deposit			1,167.41		1,155.31
Om Prakash			2.00		2.00
HDFC Bank Ltd Retention A/c- 6740			-		16.76
FEDERAL Bank - 8994			73.05		3.96
Professional Charges Payable			1.50		1.50
			8,118.11		17,113.51
<b>Note : 7 Short-term provisions</b>					
Outstanding Expenses			11.36		1.33
Provision for Audit fees			0.50		0.45
Provision for Income tax			1,456.71		230.96
TDS PAYABLE			118.70		135.09
GST Payable			13.29		9.55
			1,600.56		377.38
<b>Note : 8 Long term loans and advances</b>					
Adarsh Realty and Hotels Private Limited (Joint Development Security Deposit)			6,790.00		6,790.00
			6,790.00		6,790.00



## AKARSH RESIDENCE PRIVATE LIMITED

## NOTES TO BALANCE SHEET

Particulars	As at 31st March, 2022	As at 31st March, 2021
	( Rs. in Lakhs)	( Rs. in Lakhs)
<b>Note : 9 Current Investments</b>		
L and T Mutual Funds	322.41	319.04
	322.41	319.04
<b>Note : 10 Inventories</b>		
Closing Work In Progress	7,142.13	8,789.89
Stock on Hand (As valued and certified by the Management)	65.92	43.47
	7,208.05	8,833.36
<b>Note : 11 Trade Receivables</b>		
Residential Customers Receivables	978.64	1,009.92
	978.64	1,009.92
<b>Note : 12 Cash &amp; Bank balances</b>		
Cash in Hand	14.70	2.71
Balance with Banks :	947.10	128.86
	961.80	131.58
<b>Note : 13 Short-term Loans &amp; Advances</b>		
Land Advances	377.72	676.21
Other Advances	17,337.98	31,806.84
BESCOM Deposit	8.27	1.80
BDA Deposits	4.95	4.95
Sales Tax/VAT Deposit	0.15	0.15
Advances Paid to Suppliers	145.09	88.69
GST Account	361.14	287.11
Income Tax Receivable	125.80	125.80
TDS Receivables	52.13	12.33
TCS Receivables	0.19	0.11
Kotak Securities Limited	0.01	0.01
	18,413.44	33,004.00
<b>Note : 14 Other Current Assets</b>		
Land	4,401.26	9,034.68
	4,401.26	9,034.68

## AKARSH RESIDENCE PRIVATE LIMITED

## NOTES TO PROFIT &amp; LOSS STATEMENT

Particulars	For the Year Ended 31st March, 2022		For the Year Ended 31st March, 2021
	( Rs. in Lakhs)		( Rs. in Lakhs)
<b>Note : 15 Sales</b>			
Sale of Residential Villas	10,152.45		2,681.60
Sale of Land	3,763.86		
Sale of Land Rights	-		305.00
	13,916.31		2,986.60
<b>Note : 16 Other Non-Operating Income</b>			
Cancellation Charges (Villa,Apartment)	-		0.14
Miscellaneous Income	0.07		0.20
Discounts	-		0.50
Individual Contracts	-		0.04
Interest Received	-		2.96
	0.07		3.84
<b>Note : 17 Cost of Materials Consumed</b>			
Material Consumption	346.34		139.31
Work Contracts	158.85		105.74
Labour Charges	17.56		21.18
	522.75		266.23
<b>Note : 18 Financial Cost</b>			
Bank Charges	0.04		0.03
Interest Paid	1,543.11		788.12
	1,543.27		788.15

## AKARSH RESIDENCE PRIVATE LIMITED

## NOTES TO PROFIT &amp; LOSS STATEMENT

Particulars	For the Year Ended 31st March, 2022		For the Year Ended 31st March, 2021
	( Rs. in Lakhs)		( Rs. in Lakhs)
<b>Note : 19 Operating, Administrative and Other Expenses</b>			
Audit Fee	0.50		0.50
Cost Reimbursement	-		459.66
CSR Contribution	10.03		-
Electricity Charges	0.00		4.16
Property Insurance	1.19		2.20
Miscellaneous Expenses	0.03		0.02
Legal & Professional Fee	13.48		83.85
Loading and Unloading Expenses	0.23		-
Plan Approval and Conversion Charges	9.00		12.08
Rates and Taxes	0.90		179.96
Registration Charges	-		0.03
Repair and Maintenance	0.07		-
Security Charges	7.81		8.80
Staff Welfare	0.02		0.03
Telephone Charges	0.07		0.12
Transportation Charges	0.46		0.08
Travelling Expenses	-		0.01
	43.80		751.50



**AKARSH RESIDENCE PRIVATE LIMITED**

**Notes forming part of the financial statements**

(Rs. in Lakhs)

(Rs. in Lakhs)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount (Rs)	Number of shares	Amount (Rs)
<b>Note-2 : Share Capital;</b>				
<b>(a) Authorised Capital:</b>				
Equity shares of Rs.10/- each with voting rights	1,00,000	10.00	1,00,000	10.00
<b>(b) Issued, Subscribed and Fully Paid Up:</b>				
Equity shares of Rs.10/- each with voting rights	10,000	1.00	10,000	1.00
	10,000	1.00	10,000	1.00
			-	

**Particulars**

**Notes:**

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue/ Bonus	Buy back/ Conversion	Closing Balance
<b>Equity shares with voting rights</b>				
Period ended 31st March 2022				
- Number of shares	10,000.00	-	-	10,000.00
- Amount (Rs.in Lakhs)	1.00	-	-	1.00
Period ended 31st March, 2021				
- Number of shares	10,000.00	-	-	10,000.00
- Amount (Rs.in Lakhs)	1.00	-	-	1.00

(ii) Rights, preferences and restrictions attaching to various classes of shares

The Company has only one class of equity shares having par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of preferential allotment, if any. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

(iii) Details of Shareholding

(Rs. in Lakhs)

Particulars	Equity shares with voting rights	Equity shares with differential voting rights	Compulsorily convertible preference shares	Optionally convertible preference shares	Redeemable preference shares
	Number of shares				
<b>As at 31st, March, 2022</b>					
Mr. B.M Jayeshankar, representative of Adarsh Developers	9998	-	-	-	-
Mr. B.M Karunesh	1				
Mrs. Sudha Shankar	1	-	-	-	-
<b>Total</b>	10,000	-	-	-	-
<b>As at 31st March, 2021</b>					
Mrs. Sudha Shankar	9,998	-	-	-	-

(iv) Details of shares held by each shareholder holding more than 5% shares:

(Rs. in Lakhs)

Class of shares / Name of shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
Mr. B.M Jayeshankar, representative of Adarsh Developers	9,998	99.98%	9,998.00	99.98%

<b>AKARSH RESIDENCE PRIVATE LIMITED</b>		
No 2/4 3rd Floor Langford garden, Richmond Town Bangalore-560025		
DETAILS TO NOTES TO BALANCE SHEET		
	( Rs. in Lakhs)	( Rs. in Lakhs)
	As at 31st March, 2022	As at 31st March, 2021
<b>Note : 13 Short-term Loans &amp; Advances</b>		
<b>Land Advances</b>		
Land Adv - Bettanahalli, Kammanahalli, Hegganahalli	377.72	676.21
Land-SA-Hegganahalli, Kamenahalli & Bettenahalli	-	-
<b>TOTAL</b>	<b>377.72</b>	<b>676.21</b>
<b>Other Advances</b>		
Adarsh Developers	8,935.58	20,545.60
ALEKHYA PROPERTY DEVELOPMENTS PRIVATE LIMITED	4,644.06	4,059.02
Adarsh Haven (P) Ltd	2,667.97	2,250.29
Adarsh Nivaas Private Limited	1.76	5.64
Akarsha Realty Private Limited	1.93	-
Akarshak Realty Pvt Ltd	1,085.17	2,647.31
Orchid Apartments Private Limited	1.07	-
Shreshta Infra Projects Pvt Ltd	-	2,285.73
Varin Infra Projects Private Limited	0.44	-
Anand Bhavan Properties Pvt Ltd	-	13.24
<b>TOTAL</b>	<b>17,338</b>	<b>31,807</b>
<b>Note : 14 Other Current Assets</b>		
<b>LAND</b>		
Land-Bettenahalli	12.76	4,646.18
LAND-Doddakannelli	3,286.32	3,286.32
Land-GPA/SA-Bettenahalli	1,033.15	1,033.15
Land -GPA/SA-Naraganahalli	69.04	69.04
<b>TOTAL</b>	<b>4,401.26</b>	<b>9,034.68</b>



**Note:1**

**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS:**

**1. Significant Accounting Policies:**

**Corporate Information:**

Akarsh Residence Private Limited ('the Company') was incorporated on 22<sup>nd</sup> October 2009 under the provisions of the Companies Act, 1956. The Company is engaged in the business of property development and land acquisition activities.

**(a) Basis of Preparation:**

The Financial Statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises of mandatory Accounting Standards as specified under Sec. 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The accounts are prepared on the basis of Going Concern concept only.

**(b) Use of Estimates:**

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from these estimates, difference between the actual results and estimates are recognised in the year in which the results are known materialised.

**(c) Revenue Recognition:**

**(i) Recognition of revenue from contractual projects:**

Revenue from contractual projects undertaken is recognized on the basis of independent certification obtained in terms of the contract.

**(ii) Revenue from real estate developmental projects under development is recognized based on Percentage Completion Method'.**

"The Percentage Completion Method is applied when the stage of completion of the project reaches a reasonable level of development. For projects that commenced on or after April 1, 2012 or where revenue on a project is being recognized for the first time on or after that date, the threshold for 'reasonable level of development' is considered to have been met when the criteria specified in the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by the Institute of Chartered Accountants of India are satisfied, i.e., when:

**(a) All critical approvals necessary for commencement of the project have been obtained.**

**(b) The expenditure incurred on construction and development costs is not less than 25 % of the construction and development costs.**

(c) Atleast 25% of the saleable project area is secured by contracts or agreements with buyers.

(d) Atleast 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

For projects that commenced prior to March 31, 2012 and where sales have occurred prior to that date reasonable level of development' is considered to have occurred when the project costs (excluding land cost) incurred is in the range of 20% to 30% of the total estimated costs of the project (excluding land cost).

For computation of revenue, the stage of completion is arrived at with reference to the entire project costs incurred including land costs, borrowing costs and construction and development costs as compared to the estimated total costs of the project. The percentage completion method is applied on a cumulative basis in each reporting period and the estimates of saleable area and costs are revised periodically by the management. The effect of such changes to estimates is recognized in the period such changes are determined. The changes to estimates also include changes arising out of cancellation of contracts and cases where the property or part thereof is subsequently earmarked for own use or for rental purposes. In such cases any revenues attributable to such contracts previously recognised are reversed and the costs in relation thereto are carried forward and accounted in accordance with the accounting policy for Inventory or Fixed Assets, as applicable.

When it is probable that total project costs will exceed total eligible project revenues, the expected loss is recognised as an expense immediately when such probability is determined.

- (iii) Sale of plots and completed units is recognized at the sale consideration when all significant risks and rewards of ownership in the property is transferred to the buyer and are net of adjustments on account of cancellation.
- (iv) Revenue from Sale of Villa Plots is recognised upon transfer of all significant upon transfer of all significant risks and rewards of ownership of such real estate / property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales / agreements.
- (v) Facility charges, management charges, rental, hire charges, sub lease and maintenance income are recognized on accrual basis as per the terms and conditions of relevant agreements.
- (vi) All expenses incurred on development activities are inventoried under work-in-progress.
- (vii) Interest - Revenue is recognised on a time proportion basis by taking into account the amount outstanding and the applicable rate of interest.
- (viii) Other income is recognised when such income accrues to the company.



**(d) Fixed Assets & Depreciation:**

Fixed Assets are stated at cost of acquisition, less accumulated depreciation and impairments, if any. Cost of acquisition is inclusive of freight, duties, levies and all incidentals attributable to bringing the asset to its present location and working condition including the cost of finance specifically borrowed for acquisition or construction of the asset.

Depreciation on Fixed Assets is calculated on a written down value method, at the rates prescribed in Schedule II of the Companies Act 2013. Depreciation on additions to fixed assets is provided proportionate to the number of days put into use.

The company owns no fixed assets as on date.

**(e) Inventories:**

Direct expenditure relating to construction activity is inventorised. Indirect expenditure (including borrowing costs) during construction year is inventorised to the extent the expenditure is related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction year which is neither related to the construction activity nor is incidental thereto is charged to the profit and loss account. Cost incurred/ items purchased specifically for project is taken as consumed as and when incurred/ received.

**Work-in-progress - Real estate projects:** Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognised.

**(f) Cash flow statement:**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**(g) Taxation:**

Tax expenses for the year comprise current tax and deferred tax liability. Current tax is calculated in accordance with the provisions of section 115BAA of Income tax Act, 1961, where the income tax is calculated at the rate of 22% (Plus 10% Surcharges and 4 % education cess) of the taxable income by filing appropriate form 10 IC under Income Tax Act,1961.

**(h) Impairment of Assets:**

The Company assess at each Balance Sheet date whether there is any indication that any of the assets may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an Impairment loss and is recognized in the profit and loss account. As on the Balance Sheet date the Company assessed for impairment of assets and found no indication of impairment of assets as per Accounting Standard (AS-28).

**(i) Provisions and Contingent Liabilities/ Assets:**

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

No contingent liabilities/assets estimated as on the balance sheet date.

**(j) Cost Recharge:**

The advances relating to their sister concern for furtherance of the business and accordingly the works were being executed by the sister concerns and company has charged the cost on those funds which are not utilized by the sister concerns on the assigned work as the same is interest bearing funds and vice versa in case of advances received by the Company. Thus the company has charged cost of reimbursement on those unutilized advances in the execution of project works which compensate the excessive cost incurred by the company during the financial year against that of the revenue. Since this arrangement is of the nature of reimbursement of the cost incurred by the company hence no Taxes are withheld in the form of Tax deducted at source by the sister concerns and thereby the company has maintained the accounting concept of appropriation of cost upon utilization of the sources in the business.

**l) Payment to Auditors**

	Rs. in Lakhs	
Payment to Auditors	31.03.2022	31.03.2021
Statutory Audit Fee	0.50	0.50
Certificate & Other Consultancy Fee	Nil	Nil

**m) Accounting Ratios**

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance %
(a) Current ratio	Current assets	Current liabilities	3.13	1.68	86%
(b) Debt-equity ratio	Total Debt	Shareholder's Equity	14345.64	17662.00	-19%
(c) Debt service coverage ratio	Earnings available for debt service	Debt Service	0.97	0.17	473%
(d) Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	4129.56	903.79	357%
(e) Inventory turnover ratio	Sales	Average Inventory	1.74	0.34	406%
(f) Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	14.00	1.18	1086%
(g) Trade	Net Credit	Average	0.07	0.02	266%



payables turnover ratio	Purchases	Trade Payables			
(h)Net capital turnover ratio (3)	Net Sales	Working Capital	0.63	0.14	348%
(I) Net profit ratio	Net Profit	Net Sales	0.30	0.30	-2%
(J) Return on capital employed (1) (2)	Earning before interest and taxes	Capital Employed	NA	NA	NA

(1) Share Application Money received during the year - Nil

(2) Growth in revenue there by Net profit has been increased. During the Previous Year the company made turnover of Rs.13,916.31 Lakhs and in Current Year the company made turnover of Rs.2990.43 Lakhs.

(3) Long Term Borrowings availed from L & T Finance LTD as a Secured Loans and Sammy's Dream and Co Pvt LTD and Within a Group entity as Unsecured Loans & repaid during the current year and significant increase in customer advances for the year

**(n) Foreign Currency Transactions:**

- i. Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate to the reporting currency and the foreign currency at the date of the transaction.

Foreign currency liabilities and assets are restated at the rates ruling at the year end. Exchange differences arising on restatement / settlement of foreign currency balances are adjusted in the profit and loss account.

- ii. In case of non-integral operations, assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date. Revenue and expenses are translated at yearly average exchange rates prevailing during the year. Exchange differences arising out of these translations are included in 'Foreign Exchange Fluctuation Reserve' under Reserves and Surplus.

**(o) Cash and Cash Equivalents:**

Cash and cash equivalents comprise cash, bank current accounts, escrow accounts, bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investments.

**(p) Segment Information:**

The Company is primarily engaged in a single segment i.e. real estate development. The risk and returns of the Company are predominantly by its principal activity and the Company's activities fall within a single business and geographical segment. Accordingly, no further disclosures are required as per the Accounting Standard 17 on segment reporting.

**(q) Earnings/(Loss) per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes by the average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue.

**(r) Borrowing Costs:**

Interest and other borrowing costs on specific borrowings attributable to qualifying assets are transferred to carrying cost of the assets. Other borrowing costs are charged to revenue over the tenure of loan.

**19. Notes to Accounts:**

**(a) Secured Loans:**

- i. The company has taken a Term Loan Facility of Rs. 12,000.00 Lakhs from L & T Finance Limited, M/s. Adarsh Nest Private Limited, being the co-borrower. The loan is secured by all receivables of both Present and Future and all the Movable property mentioned in the Deed of Hypothecation from project Mayberry situated at sy. No. 97 Doddakannahalli Village, Varthur, Hobli Bangalore.

Property or assets charged :-

- I. All that piece & parcel of land Survey. No. 97 measuring 3 acres situated at Doddakannahalli Village, Varthur, Hobli, Bangalore East Taluk.
- II. All that piece and parcel of land bearing Survey No. 36 measuring 4 acres 28 guntas situated at Bhoganahalli Village, Varthur Hobli, Bangalore-East Taluk.
- III. All that piece & parcel of land bearing Survey No. 37/1 measuring 2 acres 31 guntas and Survey No. 37/2 measuring 1 acre 26 guntas situated at Bhoganahalli Village, Varthur Hobli, Bangalore-East Taluk.

**(b) Contingent Liabilities & Provisions:**

The Company has created charge on its assets for the borrowings of the Group Entity; the details of the security and Guarantee furnished are as under:

Details of security:

All that piece and parcel of land Sy No.-118( 4A, 7G) 121/2 (2A 2G),121/1 (2A, 3G), 111 (5A 10G), 122(4A 6G), 112 (4A 6G), 120 (4A 7G), 100 (6A 24G), 102 (4A 7G), 103 (4A 5G) at Bettanahalli , Bangalore.

All the Project Receivables arising from the Kodathi Villa Project and the Bettanahalli Upfront Property

All amounts/funds lying in or to the credit of the Master Collection Accounts, RERA Designated Account, Lender Escrow Account, Operating Accounts and Retention Accounts operated and maintained in terms of the Escrow Agreements.

All present and future assets of the Hypothecators in relation to the Kodathi Villa Project and the Bettanahalli Upfront Property and all other the assets therein, including

the furniture, fixtures, fit outs, equipment, existing and future, tangible and intangible, assets, including but not limited to all bank accounts, cash flows, book debts, revenues, goodwill, guarantees, etc., relating to the Kodathi Villa Project and the Bettanahalli Upfront Property.

**(c) Related Party Disclosure:**

As per Accounting Standard (AS-18) on "Related Party Disclosures", the disclosure of transactions with the related party as defined in the Accounting Standard is given below:

i. List of Related parties with whom transactions have taken place and relationship:

Parent Entity	M/s. Adarsh Developers (A partnership firm)
Key Management Personnel	<ul style="list-style-type: none"> <li>➤ B.M. Jayeshankar</li> <li>➤ B.M. Karunesh</li> </ul>
Enterprises owned or significantly influenced by KMP or their Relatives	<ul style="list-style-type: none"> <li>➤ Adarsh Reality &amp; Hotels (P) Ltd.</li> <li>➤ Akarshak Realty Pvt Ltd</li> <li>➤ Adarsh Haven (P) Ltd</li> <li>➤ Shreshta Infra Projects Private Limited</li> <li>➤ Alekhya Property Developments Private Limited</li> </ul>

ii. Transactions during the year with related party:

Rs.in Lakhs

Particulars	Name of Related Party	31-03-2022	31-03-2021
Advances (received) /Paid (Net)	M/s. Adarsh Developers	1,777.85	(419.45)
	Alekhya Property Developments Private Limited	(123.38)	1003.66
	Adarsh Haven (P) Ltd	0.52	343.26
	Adarsh Nivaas Private Limited	(3.89)	-
	Akarshak Realty Pvt Ltd	(1,727.67)	580.87
	Akarsha Realty Private Limited	1.93	-
	Orchid Apartments Private Limited	1.07	-
	Varin Infra Projects Private Limited	0.44	-
	Shreshta Infra Projects Pvt Ltd	(5,481.27)	332.11
Cost Reimbursement expense/ (Income)	Akarshak Realty Pvt Ltd	165.53	(403.82)
	Adarsh Haven (P) Ltd	417.17	(343.26)
	Shreshta Infra Projects Private Limited	(80.53)	(332.11)
	Alekhya Property Developments Private Limited	708.42	(618.48)



iii. Balances with the related parties:

		Rs. In Lakhs	
Particulars	Name of Related Party	31-03-2022	31-03-2021
Advances (received) /Paid (Net)	M/s. Adarsh Developers	8,935.58	7,157.73
	Adarsh Haven (P) Ltd	2,667.97	2250.28
	Adarsh Nivaas Private Limited	1.76	5.64
	Akarshak Realty Pvt Ltd	1,085.17	2647.30
	Alekhya Property Developments Private Limited	4,644.06	4059.01
	Akarsha Realty Private Limited	1.93	-
	Orchid Apartments Private Limited	1.07	-
	Varin Infra Projects Private Limited	0.44	-
	Shreshta Infra Projects Pvt Ltd	(3,276.07)	2285.73
Joint Development Security Deposit	Adarsh Realty and Hotels Private Limited	6,790.00	6,790.00

Note: Related parties are as identified by the Management and relied upon by the auditors.

(d) Earnings per Share (in Rs.):

Particulars	Rs.in Lakhs	
	Current Year (Amount in Rs.)	Previous Year (Amount in Rs.)
Net Profit as Per Statement of Profit and Loss attributable to Equity Shareholders.	4129.56	903.78
Weighted Average Nos. of Equity Share Outstanding	10,000	10,000
Earnings Per Share	0.41	0.09
Basic and diluted Earnings per share	0.41	0.09

(e) Cash and Bank Balances:

Particulars	Rs.in Lakhs	
	2021-22 Amount (Rs.)	2020-21 Amount (Rs.)
Cash in Hand	14.70/-	2.71/-
<u>Balance with Scheduled Banks:</u>		
In Current Account and Escrow Accounts	947.10 /-	108.14/-

(f) Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 :

There are no Micro, Small and Medium Enterprise, to whom the Company owes dues. The information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**(g) Adarsh Palm Retreat Mayberry Project:-**

The Company is developing the project namely "Adarsh Palm Retreat Mayberry" situated at Sy. No. 97 Doddakannahalli Village, Varthur Hobli Bangalore -560103. The cost incurred towards the said project till 31-03-2022 is Rs 7133.13 Lakhs (PY:Rs. 5145.15 Lakhs) which is less than 25% of the total estimated project cost and also, the company has not realized 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents at the reporting date. Hence, there is no revenue recognised from this project and the entire cost is capitalised to project WIP.

**(h) Corporate Social Responsibility:-**

As per section 135 of the Companies Act 2013, the Company (as per section 135(1) of the Companies Act 2013) shall spend, in every financial year, at least two percent of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy towards contribution to approved CSR projects.

**Details of CSR Expenditure**

Relevant Financial year	Amount Identified for spending on Corporate Social Responsibility activities "other than ongoing projects"	Unspent Amount	Amount transferred to fund specified in schedule VII to the act	Due date of transfer to specified fund
2021-22	3.61	3.61	Nil	Within 3 years

**(i) Quantitative Details:**

On account of the nature of the business carried on by the Company, the management is of the view that it is not practicable to give quantitative information.

- (j) The confirmation and reconciliation of certain balances from sundry debtors, sundry creditors and Loans & Advances have not been obtained
- (k) Previous year's figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

For Akarsh Residence Private Limited

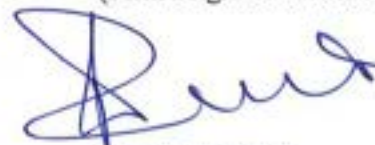


B.M Jayeshankar  
Managing Director  
DIN: 00745118



B.M Karunesh  
Director  
DIN: 00693174

For Vankadari Associates  
Chartered Accountants  
(Firm Reg No: 004507S)



V. Dwarakanath  
Partner  
Membership No. 025629



Date: 23.08.2022  
Place: Bangalore