

ADARSH REALTY AND HOTELS PRIVATE LIMITED

2/4, Langford Gardens, Richmond Town, Bengaluru - 560 025. India.

Ph : 91-80-41343400 | E-mail: corporate@adarshdevelopers.com

CIN-U70101KA1996PTC021038

BOARD'S REPORT

To the Members

Your Directors hereby present the Twenty Sixth Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your Company for the Financial Year ended, 31st March, 2022. The Company is a Private Limited Company which has listed its Debentures via Private Placement and therefore as per the provisions of Companies (Specification of definitions details) Second Amendment Rules, 2021 via Circular dated 19th February, 2021, it is not treated as a Listed Company for the purpose of Companies Act, 2013. The Provisions of SEBI Listing Obligation and Disclosure Regulations, 2015 are applicable to the Company.

1. RESULT OF OPERATIONS

The summarized financial results of the Company for the year ended 31st March, 2022 are as under:

(Rs. in Lakhs)

FINANCIAL RESULTS		
Particular	For the financial year ended 31 st March, 2022	For the financial year ended, 31 st March, 2021
	Amount in Rs.	Amount in Rs.
Total Income	10,757.93	8,438.48
Total Expenditure	16,900.13	10,877.53
Net Profit / (Loss) Before Tax	(11735.11)	(9176.55)
Tax Expense (Deferred Tax)	-	-
Profit / (Loss) after Tax	(11735.11)	(9176.55)

2. REVIEW OF OPERATION

The highlights of the Company's performance are as under:

- The revenue increased from Rs. 8438.48 Lakhs - to Rs. 10757.93 Lakhs.
The profit after tax is Rs. (11735.11) Lakhs as compared to Rs.9176.55 Lakhs.

3. STATE OF COMPANIES AFFAIRS & FUTURE OUTLOOK

Your Company is involved in the business of building, owning, managing, consulting, maintain and running of: Layouts, houses, farmhouses, villas, bungalows, cottages, sheds, condominiums, residential apartments, service apartments, flats of all types and descriptions, trade centers, infrastructure projects, technology parks, processing zones, tech centers, utility projects, community centers, warehouse, theme cottages, corporate offices, communication facilities , entertainment centers, multiplex, drive-in-theaters, theme parks, video parlours, bowling alleys, water sports, restaurants, hotels and hostels.

The Directors of the Company are hopeful of better performance in the years to come.

The company has issued and allotted 2910 debentures of face value of Rs. 10,00,000/- each during the financial year 2021-2022, out of which 800 debentures are listed with BSE Limited. These debentures were issued during the Financial year under review on a Private Placement basis by following the provisions of Companies Act, 2013.

4. TRANSFER TO RESERVES

The Company was not required to transfer any amount to General Reserves.

5. DIVIDEND

The Company has not declared any dividend for the financial year ended 31.03.2022 due to losses.

6. AUDITORS

M/s. ABS & Co, Chartered Accountants, FRN :- 008203S, were appointed as statutory auditors of the company to hold office till the conclusion of Annual General Meeting to be held for the Financial year to be ended on 31st March, 2024.

The Company has received a certificate from the above Auditors to the effect that their appointment is in the accordance with the provisions of Section 141 of the Companies Act, 2013.

The Company, being a Private Limited Company and as per the provisions of Section 138 of Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 it was not required to appoint Internal Auditors for the financial year.

The Company, being a Private Limited Company and as per the provisions of Section 204 of Companies Act, 2013 it was not required to appoint Secretarial Auditors for the financial year.

7. Share Capital:

The Authorized Capital of the Company at the end of the Financial Year is Rs. 1,50,00,00,000/- (Rs. One Fifty Crores only) divided into 15,00,00,000 (Fifteen Crores Equity Shares of Rs. 10/- (Ten Only) each.

And on the end of Financial Year the Paid up capital of the Company is Rs. 1,50,00,00,000/- (Rs. One Fifty Crores only) divided into 15,00,00,000 (Fifteen Crores Equity Shares of Rs. 10/- (Ten Only) each.

There is no change in share capital of the company during the financial year under review.

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS

The company under the provision of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 [Chapter IV] has not issued any shares with Differential Rights.

8. AUDITOR'S REPORT FOR FINANCIAL YEAR 2021-22

The Auditor's Report and notes forming part of the accounts are self-explanatory.

9. EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITOR IN HIS AUDIT REPORT

The Auditor's Report and notes forming part of the accounts are self-explanatory.

10. EXTRACT OF THE ANNUAL RETURN

Pursuant to amendment in section 92 (3) of the Companies Act, 2013 on 28th August 2020 the Company is not required to upload the Annual Return as it does not have its website.

Pursuant to amendment in Rule 12 of the Companies (Management and Administration) Rules, 2014 on 05th March 2021, extract of Annual Return in MGT 9 is not required to be attached to the Directors Report.

11. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met Eleven times during the financial year 2021-2022.

S. No.	Date of Meeting	Board Strength	No. of Directors Present
1	24.06.2021	3	3
2.	21.08.2021	3	3
3.	26.08.2021	3	3
4	31.08.2021	3	3
5.	01.09.2021	3	3
6.	02.09.2021	3	3
7	18.11.2021	3	3
8	20.11.2021	3	3
9.	25.01.2022	3	3
10	14.02.2022	3	3
11	31.03.2022	3	3

12. PUBLIC DEPOSITS

The Company has not accepted any deposits within the meaning of section 73 to 76 of the Companies Act, 2013 and Rules made there under

13. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION & EMPLOYEES.

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company as our Company is a Private Limited Company.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The particulars of the loans, Guarantees or investments made by the Company forms part of the notes to Financial Statements. The Company being involved in providing infrastructural facilities read with point number 5 (b) of Schedule VI of Companies Act, 2013, the provisions of Section 186 are not applicable.

15. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year ended 31st March, 2022 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted.

Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required. However, the disclosure of transactions with related party for the year, as per Ind AS 24 - Related Party Disclosures is given in Notes to the Balance Sheet as on 31st March, 2022.

16. MATERIAL CHANGES AND COMMITMENTS

There have been no adverse material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the Company and date of this report.

17. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future as on the date of preparation of report.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows;

<u>A. CONSERVATION OF ENERGY</u>		
SL. NO.	PARTICULARS	REMARKS
1	the steps taken or impact on conservation of energy	The Company is conscious towards conservation of energy and adequate measures have been taken to conserve energy.
2	the steps taken by the company for utilizing alternate sources of energy	
3	the capital investment on energy conservation equipments;	

<u>B. TECHNOLOGY ABSORPTION</u>		
SL.NO	PARTICULARS	REMARKS
1	The efforts made towards technology absorption	The Company is conscious towards technology absorption and adequate measures have been taken to conserve energy.
2	The benefits derived like product improvement, cost reduction, product development or import substitution;	Cost Reduction
3	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year (a) The details of technology imported; (b) The year of import; (c) Whether the technology been fully absorbed (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NA

4	The expenditure incurred on Research and Development	NA
C. FOREIGN EXCHANGE EARNINGS AND OUTGO		
SL.NO	PARTICULARS	REMARKS
1	The Foreign Exchange earned in terms of actual inflows during the year	Nil
2	The Foreign Exchange outgo during the year in terms of actual outflows	Nil

19. RISK MANAGEMENT POLICY

The Company has a robust Enterprise Risk Management framework to identify and evaluate business risk opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk policy defines the risk management approach across the enterprise at various levels, including documentation and reporting. The model has different modes that help in identifying risk trends, exposure and potential impact analysis at a company level and also separately for different business segments. The Company has identified various risks and also has mitigation plans for each identified risk.

20. DETAILS OF DEBENTURE TRUSTEE

The details of debenture trustee for the non-convertible debentures issued by the Company and listed on the debt segment of BSE Limited are as under:

Name: Catalyst Trusteeship Limited
Address: Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East),
Mumbai- 400098
Phone no.: 022- 49220555

21. COMPOSITION OF THE BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The composition of the board of directors and key managerial personnel (KMP) is as follows:

Current members on the Board of Directorship and KMP:

Sl. No.	Name of the Director	Designation	Change in designation, if any	Date of change in designation, if any

1	Mr. B.M. Jayeshankar	Managing Director	NA	NA
2	Mr. B.M. Karunesh	Director	NA	NA
3	Mrs. Sudha Shanker	Director	NA	NA
4	Ms. S Anika Mercylin	Company Secretary	NA	NA

The Company was not required to appoint Independent Directors.

The Company was not required to appoint any other Whole Time Key Managerial Personnel as the Company is a Private Limited Company as per the provisions of Section 203 of The Companies Act, 2013.

22. CHANGES IN THE NATURE OF BUSINESS, IF ANY

No Change in the nature of the business of the Company

23. CHANGES IN DIRECTORSHIP OF DIRECTORS OR KMPS

There has been no change in the directorship of directors.

24. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Not applicable to the Company since the Company does not have any Subsidiary, Joint Venture or Associate Company.

25. COMPANIES / BODY CORPORATES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES DURING THIS FINANCIAL YEAR

The Company does not have any Subsidiary, Joint Venture or Associate Company during this financial Year.

26. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its Business, including adherence to the Company's policies, safeguarding of its assets, prevention

and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of the reliable financial disclosures.

27. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees was not required as the Company does not fit into the criteria provided for the same.

28. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 READ WITH THE RULES

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year Company has not received any complaint of harassment and no cases are pending for the period under review.

29. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

There are no frauds reported by the Auditors.

30. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

1. In preparation of the Annual Accounts for the financial year ended 31st March 2022, the applicable Accounting Standards have been followed along with proper explanation to material departures;
2. The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company, for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the Annual Accounts on a going concern basis.

5. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Not Applicable

32. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company, being a Private Limited Company and it does not fulfill the criteria of Corporate Social responsibility, hence the Company is not required to make disclosures as per Rule 9 of Companies (Corporate Social Responsibility policy) Rules, 2014 and/ along with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021. The Company has already constituted the CSR Committee and also has a policy as CSR provisions were applicable to in earlier years.

The Company has an unspent amount for the financial year 2020 – 21 and therefore the details of the same are attached in ANNEXURE A.

33. COST RECORDS AND COST AUDIT:

As per the Cost Audit Rules, cost audit or maintenance of cost records is not applicable to the Company's any products/ business of the Company for F.Y. 2021-22.

34. COMPLIANCE WITH SECRETARIAL STANDARDS

The company has complied with the applicable secretarial standards.

33. COMMITTEES OF THE BOARD

The details of composition of the Committees of the Board of Directors are as under:-

- a. Audit Committee: The Company being a Private Limited Company the Audit Committee is not required to be constituted.
- b. Nomination & Remuneration Committee: The Company being a Private Limited Company the Nomination & Remuneration Committee is not required to be constituted.
- c. Corporate Social Responsibility Committee (CSR Committee): The Company has constituted the CSR Committee.

- d. Stakeholders Relationship Committee: The Company was not required to constitute the Stakeholders Relationship Committee as the number of shareholders during the financial year were less than 1000.

35. ACKNOWLEDGEMENT

Your Directors take this opportunity to offer their sincere gratitude to the various Departments of Central and State Government, Banks, Customers and Suppliers for their continued and valuable support and also sincerely acknowledge and appreciate the dedicated efforts of the officers and workers of Company at all levels.

By the order of the Board of Directors



(B. M. Jayeshankar)

Managing Director

DIN: 00745118

**New No. 6 , Old No. 245, 18th Cross,
Sadashivanagar, Bangalore- 560080**



(B. M. Karunesh)

Director

DIN: 00693174

**Villa No. 46, Phase I, Adarsh Palm Meadows,
Varthur Road, Whitefield, Ramagondanahalli,
Bangalore- 560066**

Place: Bangalore.

Date: 30/05/2022