

Independent Auditors' Report

To the Members of Grand Hills Developments Private Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Grand Hills Developments Private 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 a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs). 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 ethical requirements that are relevant to our audit of the financial statements as per the ICAI's Code of Ethics and the provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities



in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Ind AS 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 Annexures 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

Management's Responsibility for the Ind AS 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 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and 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 control 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using



the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility

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 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 judgment 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 financial controls 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 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 Ind AS 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 – A, 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, 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 financial statements comply with the Ind AS 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 31 March 2020 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) 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 does not have any pending litigations which would impact its financial position.
 - ii. the Company did not have any long-term contracts including derivate contracts for which there were any material foreseeable loss.
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act;

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the current year, accordingly provisions of Section 197 of the Act is not applicable.

For V D S R & Co LLP

Chartered Accountants

FRN No.: 001626S/S200085



Venkatesh Kamath S V

Partner

Membership No 202626

Place: Bengaluru

Date: 24.06.2020

(This document is certified using the UDIN facility of ICAI and can be verified at www.udin.icai.org with reference no. 20202626AAAAEE1069)



Annexure – A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2020, we report that:

1. Company is not owned any fixed assets as on the reporting date. Accordingly, paragraph 3(i) of the Order not applicable
2. Company does not hold any inventory as on reporting date. Accordingly, paragraph 3(ii) of the Order not applicable
3. According to information and explanations given to us, the Company has not granted any loan to companies or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act")
4. According to information and explanations given to us, the Company has not granted any loans, made any investments, extended any guarantees and provided any security to or on behalf of the parties referred in section 185 and 186 of the Companies Act, 2013.
5. The Company has not accepted any deposits from the public.
6. The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act for any of the services rendered by the Company.
7.
 - a. According to information and explanations given to us and on the basis of our examinations of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including, income-tax, duty of customs, cess, Goods and Service Tax (GST) and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance duty of excise and provident fund.

According to the information and explanations given to us, no disputed amounts payable in respect of provident fund, income-tax, duty of customs, cess, and other material statutory dues




were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.


- b. According to the information and explanations given to us and based on the examination of the records of the Company, there are no dues in respect of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax, which have not been deposited with the appropriate authorities on account of any dispute.
8. The Company does not have any loans or borrowings from financial institution, bank, and government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order not applicable.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officer or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided any remuneration during the reporting period. Accordingly paragraph 3(xi) of the Order not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where ever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



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

For V D S R & Co LLP
Chartered Accountants
FRN No.: 001626S/S200085


Venkatesh Kamath S V
Partner
Membership No 202626



Place: Bengaluru

Date: 24.06.2020

(This document is certified using the UDIN facility of ICAI and can be verified at www.udin.icai.org with reference no. 20202626AAAAEE1069)

Annexure – B – to the Auditors' Report

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 Grand Hills Developments Private Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the Ind AS 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 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 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 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 of the Company.

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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial



reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For V D S R & Co LLP
Chartered Accountants
FRN No.: 001626S/S200085


Venkatesh Kamath S V
Partner
Membership No 202626



Place: Bengaluru

Date: 24.06.2020

(This document is certified using the UDIN facility of ICAI and can be verified at www.udin.icai.org with reference no. 20202626AAAAEE1069)

Grand Hills Development Private Limited

Balance Sheet as at March 31, 2020

(All amounts in Rupees)

ASSETS

Current assets

(a) Financial assets

(i) Cash and cash equivalents

Note	March 31, 2020	March 31, 2019
3	72,492	78,484

(b) Other current assets

4	2,800	2,800
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Total current assets

<u>75,292</u>	<u>81,284</u>
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Total assets

<u>75,292</u>	<u>81,284</u>
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EQUITY AND LIABILITIES

EQUITY

(a) Equity share capital

5	1,00,000	1,00,000
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(b) Other equity

6	(2,31,794)	(2,15,802)
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Total equity

<u>(1,31,794)</u>	<u>(1,15,802)</u>
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LIABILITIES

Current liabilities

(a) Financial liabilities

(i) Borrowings

7	1,67,444	1,67,444
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(ii) Trade payables

8	39,642	29,642
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Total current liabilities

<u>2,07,086</u>	<u>1,97,086</u>
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Total equity and liabilities

<u>75,292</u>	<u>81,284</u>
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Summary of significant accounting policies

2.2

The accompanying notes referred to above form an integral part of the financial statements

As per report of even date

for V D S R & Co LLP.,

Chartered Accountants

Firm Registration Number: 001626S/S200085

For and on behalf of the Board of Directors

Venkatesh Kamath S V

Partner

Membership No: 202626

Place: Bengaluru

Date: 24.06.2020

Vishnumoorthi H

Director

DIN 05139136

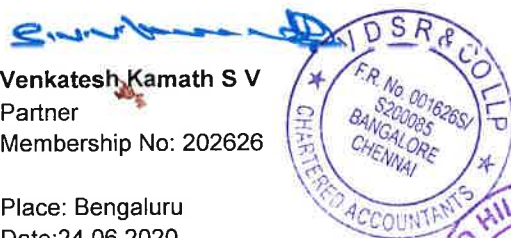
Place: Bengaluru

Date: 24.06.2020

Kuldeep Chawla

Director

DIN 00263986



Grand Hills Development Private Limited
Statement of Profit and Loss for the year ended March 31, 2020

(All amounts in Rupees)

	Note	March 31, 2020	March 31, 2019
Income			
Revenue from operations		-	-
Total		-	-
Expenses			
Finance costs	9	384	30
Other expenses	10	15,608	14,938
Total expenses		15,992	14,968
Profit/(loss) before tax		(15,992)	(14,968)
Tax expense			
Total tax expense		-	-
Profit/(loss) for the year		(15,992)	(14,968)
Other comprehensive income ('OCI')			
Items that will not be reclassified to profit or loss			
(i) Re-measurement gains/(losses) on defined benefit plans		-	-
(ii) Income tax relating to above		-	-
Total other comprehensive income		-	-
Total comprehensive income for the year (comprising profit and OCI)		(15,992)	(14,968)
Earnings per equity share ('EPS')			
(Nominal value per equity share Rs. 10 (March 31, 2019 - Rs. 10))			
Basic (Rs.)		(1.60)	(1.50)
Diluted (Rs.)		(1.60)	(1.50)
Weighted average number of equity shares used in computation of EPS			
Basic - in numbers		10,000	10,000
Diluted - in numbers		10,000	10,000

Summary of significant accounting policies

2.2

The accompanying notes referred to above form an integral part of the financial statements

As per report of even date

for V D S R & Co LLP.,

Chartered Accountants

Firm Registration Number: 001626S/S200085

For and on behalf of the Board of Directors

Venkatesh Kamath S V

Partner

Membership No: 202626

Place: Bengaluru

Date: 24.06.2020



Vishnumoorthi H

Director

DIN 05139136

Place: Bengaluru

Date: 24.06.2020

Kuldeep Chawla

Director

DIN 00263986

Grand Hills Development Private Limited

Statement of cash flow for the year ended March 31, 2020

(All amounts in Rupees)

March 31, 2020

March 31, 2019

A. Cash flow from operating activities

Profit/(loss) before tax

(15,992)

(14,968)

Adjustments to reconcile profit after tax to net cash flows

Finance costs

Operating profit before working capital changes

(15,992)

(14,968)

Working capital adjustments:

Increase/ (decrease) in other liabilities

Cash (used in)/ received from operations

10,000

12,300

Income tax paid (net)

(5,992)

(2,668)

Net cash flows (used in)/from operating activities

(5,992)

(2,668)

B. Cash flows from investing activities

Net cash flows from / (used in) investing activities

C. Cash flows from financing activities

Loans paid to holding company

Net cash (used in)/from financing activities

Net (decrease)/increase in cash and cash equivalents (A + B + C)

(5,992)

(2,668)

Cash and cash equivalents at the beginning of the year

78,484

81,152

Cash and cash equivalents at the end of the year (as per note 3 to the financial statements)

72,492

78,484

Summary of significant accounting policies

2.2

The accompanying notes referred to above form an integral part of the financial statements.

As per report of even date

for V D S R & Co LLP.,

Chartered Accountants

Firm Registration Number:

001626S/S200085



Venkatesh Kamath S V

Partner

Membership No: 202626

Place: Bengaluru

Date: 24.06.2020



For and on behalf of the Board of Directors


Vishnumoorthi H
Director
DIN 05139136

Place: Bengaluru
Date: 24.06.2020


Kuldeep Chawla
Director
DIN 00263986

Grand Hills Development Private Limited

Statement of changes in equity for the year ended March 31, 2020

(All amounts in Rupees)

A. Equity share capital

Particulars	As at 01 April 2018	Movement during 2018-19	As at March 31, 2019	Movement during 2019-20	As at March 31, 2020
Equity share capital of face value of Rs. 10 each fully paid	1,00,000	-	1,00,000	-	1,00,000
	1,00,000	-	1,00,000	-	1,00,000

B. Other equity

Particulars	Reserves and surplus			
	Securities premium reserve	General reserve	Retained Earnings	Total
Balance as at 1 April 2018	-	-	(2,00,834)	(2,00,834)
Profit/(loss) for the year	-	-	(14,968)	(14,968)
Other Comprehensive Income	-	-	-	-
Total comprehensive income for the year	-	-	(2,15,802)	(2,15,802)
Dividends (including tax on dividend)	-	-	-	-
Others	-	-	-	-
Balance as at March 31, 2019	-	-	(2,15,802)	(2,15,802)
Profit/(loss) for the year	-	-	(15,992)	(15,992)
Other Comprehensive Income	-	-	-	-
Total comprehensive income for the year	-	-	(2,31,794)	(2,31,794)
Others	-	-	-	-
Balance as at March 31, 2020	-	-	(2,31,794)	(2,31,794)

Summary of significant accounting policies

2.2

The accompanying notes referred to above form an integral part of the financial statements

As per report of even date

for V D S R & Co LLP.,
Chartered Accountants
Firm Registration Number: 001626S/S200085

For and on behalf of the Board of Directors

Venkatesh Kamath S V
Partner
Membership No: 202626

Place: Bengaluru
Date: 24.06.2020



Vishnumoorthi H
Director
DIN 05139136

Place: Bengaluru
Date: 24.06.2020

Kuldeep Chawla
Director
DIN 00263986



Grand Hills Development Private Limited
Notes to Ind AS Financial Statements for the year ended March 31, 2020
(All amounts in Rs, unless otherwise stated)

1. Corporate information

Grand Hills Development Private Limited (the 'Company') was incorporated on April 10, 2007 under the provisions of the Companies Act applicable in India. The registered office is located at 130/1, Ulsoor road, Bangalore, Karnataka 560042, India. The Company is engaged in the business of real estate development and other related activities.

The Ind AS financial statements were authorized for issue in accordance with a resolution of the directors on June 24, 2020.

2. Significant accounting policies

2.1 Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III). The financial statements of the Company are prepared and presented in accordance with Ind AS.

The financial statements have been prepared on the historical cost basis as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities. The effect of change in an accounting estimate is recognized prospectively.

(b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has evaluated and considered its operating cycle as one year for the purpose of current and non-current classification of assets and liabilities.

(c) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized/inventorised as part of the cost of the respective asset. All other borrowing costs are charged to statement of profit and loss.



(d) Inventories

Direct expenditure relating to real estate activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity.

i. Work-in-progress: Represents cost incurred in respect of unsold area (including land) of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.

ii. Raw materials, components and stores: Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.

iii. Land stock: Valued at lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(e) Land

Advances paid by the Company to the seller/ intermediary toward outright purchase of land is recognized as land advance under other assets during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Company, whereupon it is transferred to land stock under inventories/ capital work in progress.

(f) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other credits, if any, as specified in the contract with the customer. The Company presents revenue from contracts with customers net of indirect taxes in its statement of profit and loss.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer, if any.

Revenue from real estate development is recognised at the point in time, when the control of the asset is transferred to the customer.

Interest income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

Dividend income

Dividend income is recognized when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

(g) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.



Grand Hills Development Private Limited
Notes to Ind AS Financial Statements for the year ended March 31, 2020
(All amounts in Rs, unless otherwise stated)

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

i. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

ii. Deferred income tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, 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 utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet 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 income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(h) Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. 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 recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

(i) Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value at initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

i. Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.



Grand Hills Development Private Limited
Notes to Ind AS Financial Statements for the year ended March 31, 2020
(All amounts in Rs, unless otherwise stated)

iii. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a) The asset is 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 solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

iv. Equity investment in subsidiaries, joint ventures and associates

Investment in subsidiaries, joint ventures and associate are carried at cost. Impairment recognized, if any, is reduced from the carrying value.

v. De-recognition of financial asset

The Company derecognizes 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 under Ind AS 109.

vi. Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The subsequent measurement of financial liabilities depends on their classification, which is described below.

vii. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

viii. Financial liabilities at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest ('EIR') method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included as finance costs in the statement of profit and loss.

Interest-bearing loans and borrowings are subsequently measured at amortized cost using EIR method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ix. De-recognition of financial liability

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

x. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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



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(All amounts in Rs, unless otherwise stated)

(j) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(k) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.



Grand Hills Development Private Limited

Notes to Ind AS Financial Statements for the year ended March 31, 2020

(All amounts in Rupees)

	March 31, 2020	March 31, 2019
3 Cash and cash equivalents		
Balances with banks	72,492	78,484
In current accounts	<u>72,492</u>	<u>78,484</u>

4 Current		
Duties and taxes recoverable	2,800	2,800
	<u>2,800</u>	<u>2,800</u>

5 Equity share capital

Authorized shares

1,00,000(31 March 2019- 1,00,000) equity shares of Rs.10 each	10,00,000	10,00,000
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Issued, subscribed and fully paid-up shares

10,000(31 March 2019- 10,000) equity shares of Rs.10 each	1,00,000	1,00,000
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a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares

	March 31, 2020		March 31, 2019	
	Number	Rs.	Number	Rs.
Balance at the beginning of the year	10,000	1,00,000	10,000	1,00,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	10,000	1,00,000	10,000	1,00,000

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the company

	March 31, 2020		March 31, 2019	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of Rs. 10 each fully paid-up				
Puravankara Limited	10,000	100.00%	10,000	100.00%

As per records of the Company including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



Grand Hills Development Private Limited

Notes to Ind AS Financial Statements for the year ended March 31, 2020

(All amounts in Rupees)

	March 31, 2020	March 31, 2019
6 Other equity		
Reserves and surplus		
Securities premium	-	-
Balance at the end of the year	-	-
General reserve	-	-
Balance at the end of the year	-	-
Retained earnings		
Balance at the beginning of the year	(2,15,802)	(2,00,834)
Dividend (including dividend distribution tax)	-	-
Total comprehensive income for the year	(15,992)	(14,968)
Balance at the end of the year	(2,31,794)	(2,15,802)
Total other equity	(2,31,794)	(2,15,802)

	March 31, 2020	March 31, 2019
7 Borrowings		
Current borrowings		
Unsecured		
Loans repayable on demand		
Loans from related parties	1,67,444	1,67,444
TOTAL BORROWINGS	1,67,444	1,67,444

	March 31, 2020	March 31, 2019
8 Trade payables		
Trade payable		
- Total outstanding dues of micro enterprises and small enterprises		
- Total outstanding dues of creditors other than micro and small enterprises	39,642	29,642
Payable to related parties		
	39,642	29,642

Disclosures of dues to Micro, Small and Medium enterprises

The information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The Company has not received any claim for interest from any supplier under the said Act.

i.	The principal amount remaining unpaid	Nil	Nil
ii.	Interest due thereon remaining unpaid	Nil	Nil
iii.	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
iv.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year).	Nil	Nil
v.	The amount of interest accrued during the year and remaining unpaid.	Nil	Nil
vi.	The amount of further interest remaining due and payable for earlier years	Nil	Nil



Grand Hills Development Private Limited

Notes to Ind AS Financial Statements for the year ended March 31, 2020

(All amounts in Rupees)

9 Finance costs

Bank charges

March 31, 2020

March 31, 2019

384

30

384

30

10 Other Expenses

Legal and professional *

Rates and taxes

March 31, 2020

March 31, 2019

12,360

14,130

3,248

808

15,608

14,938

* Payment to auditor [included in legal and professional charges]

As auditor:

Audit fee

10,000

10,000

10,000

10,000



Grand Hills Development Private Limited

Notes to Ind AS Financial Statements for the year ended March 31, 2020

(All amounts in Rupees)

11 Fair value measurements

The fair value of the financial assets and liabilities is determined as the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company does not have financial assets and liabilities measured at fair value.

The management assessed that the carrying values of cash and cash equivalents, trade receivables, loans, trade payables, borrowings and other financial assets and liabilities (as listed below) approximate their fair values largely either due to their short-term maturities or because they are assets/ liabilities carried at amortised cost and their amortised cost approximates their fair values.

Break up of financial assets carried at amortized cost	Notes	March 31, 2020	March 31, 2019
Cash and cash equivalents	3	72,492	78,484
		<u>72,492</u>	<u>78,484</u>
Break up of financial liabilities carried at amortized cost	Notes	March 31, 2020	March 31, 2019
Borrowings	7	1,67,444	1,67,444
Trade payable	8	39,642	29,642
		<u>2,07,086</u>	<u>1,97,086</u>

12 Financial risk management

The Company's principal financial liabilities, comprise borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade receivables, cash and bank balances and other receivables that derive directly from its operations.

The Company's activities expose it to market risk, liquidity risk and credit risk.

The Company's management oversees the management of these risks and ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

a. Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. Credit risk arises from cash and cash equivalents, trade receivables and deposits with banks and financial institutions.

Credit risk management

Other financial assets like bank deposits and other receivables are mostly with banks and hence, the Company does not expect any credit risk with respect to these financial assets.

b. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and also generating cash flow from operations.

Management monitors the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows and maintaining debt financing plans.

The break-up of cash and cash equivalents and other bank balances is as below:

	March 31, 2020	March 31, 2019
Cash and cash equivalents	72,492	78,484
	<u>72,492</u>	<u>78,484</u>



Grand Hills Development Private Limited

Notes to Ind AS Financial Statements for the year ended March 31, 2020

(All amounts in Rupees)

Maturities of financial liabilities

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

March 31, 2020	On demand	Less than 1 year	1 years to 5 years	5 years and above	Total
Financial liabilities - current					
Borrowings	1,67,444	-	-	-	1,67,444
Trade payables	-	39,642	-	-	39,642
Security deposits	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
TOTAL					2,07,086
March 31, 2019	On demand	Less than 1 year	1 years to 5 years	5 years and above	Total
Financial liabilities - current					
Borrowings	1,67,444	-	-	-	1,67,444
Trade payables	-	29,642	-	-	29,642
Security deposits	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
TOTAL					1,97,086

c. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real-estate risk.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

Interest rate risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in Interest rate. The entity's exposure to the risk of changes in Interest rates relates primarily to the entity's operating activities (when receivables or payables are subject to different interest rates) and the entity's net receivables or payables.

The Company is affected by the price volatility of certain commodities/ real estate. Its operating activities require the ongoing development of real estate. The Company's management has developed and enacted a risk management strategy regarding commodity/ real estate price risk and its mitigation. The Company is subject to the price risk variables, which are expected to vary in line with the prevailing market conditions.

The Company does not have any interest bearing borrowings in the current year.



Grand Hills Development Private Limited

Notes to Ind AS Financial Statements for the year ended March 31, 2020

(All amounts in Rupees)

13 Related party transactions

Names of related parties and nature of relationship with the Company

(i) Holding Company

Puravankara Limited

(ii) Key management personnel

Mr. Vishnu H Moorthi

Mr. Kuldeep Chawla

(iii) Balances with related parties at the year end are as follows:

Nature of transaction	Holding Company	
	31-Mar-20	31-Mar-19
Loans taken from Puravankara Limited	1,67,444	1,67,444

(iv) The transactions with related parties for the year are as follows

Nature of transaction	Holding Company	
	31-Mar-20	31-Mar-19
Loans taken from Puravankara Limited	-	-

14 Supplementary statutory information

- Earnings in foreign currency (on receipt basis)
- Expenditure in foreign currency (on accrual basis)
- Value of imports at CIF basis
- Contingent liabilities
- Capital commitment
- Donation to political party

	March 31, 2020	March 31, 2019
i. Earnings in foreign currency (on receipt basis)	Nil	Nil
ii. Expenditure in foreign currency (on accrual basis)	Nil	Nil
iii. Value of imports at CIF basis	Nil	Nil
iv. Contingent liabilities	Nil	Nil
v. Capital commitment	Nil	Nil
vi. Donation to political party	Nil	Nil

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance Sheet.

15 Previous year figures have been regrouped wherever necessary to conform with current year's classification.

Summary of significant accounting policies

2.2

The accompanying notes referred to above form an integral part of the financial statements

As per report of even date

for V D S R & Co LLP.,

Chartered Accountants

Firm Registration Number: 001626S/S200085

For and on behalf of the Board of Directors

Venkatesh Kamath S V

Partner

Membership No: 202626

Place: Bengaluru

Date: 24.06.2020



Vishnumoorthi H

Director

DIN 05139136

Place: Bengaluru

Date: 24.06.2020

Kuldeep Chawla

Director

DIN 00263986

