

# SANATHNAGAR ENTERPRISES LIMITED

Lodha Excelus, N.M Joshi Marg, Mahalaxmi, Mumbai 400 011, India

August 27, 2019

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Kala Ghoda, Fort,  
Mumbai, 400001

**Sub: Intimation for e-voting period, Book Closure, AGM date of the Company and submission of Annual Report for the financial year 2018-19**

Pursuant to Regulation 42 and all other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we wish to inform you that:

- (1) The 72<sup>nd</sup> Annual General Meeting (AGM) of the members of the Company will be held on Tuesday, September 24, 2019 at 11:00 a.m. at 8<sup>th</sup> floor Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai 400 011. A copy of the integrated annual report for the financial year 2018-19 including notice of the 72<sup>nd</sup> AGM is enclosed herewith.
- (2) Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 18, 2019 to Tuesday, September 24, 2019 (both the days inclusive) for the purpose of Annual General Meeting. Intimation of the Book Closure is enclosed herewith for your information and record.
- (3) The e-voting period begins on Friday, September 20, 2019 (9:00 A.M.) and ends on Monday, September 23, 2019 (5:00 P.M.). During this period, shareholders of the Company, holding shares, as on the cut-off date i.e Tuesday, September 17, 2019, may cast their vote electronically.

Further, as per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is providing facility to the members to cast their votes by electronic means on all the resolutions set forth in the Notice of 72<sup>nd</sup> AGM. A copy of the e-voting instructions slip (Form) is also enclosed.

You are requested kindly to take the same on record and inform your members accordingly.

Thanking you,

Yours faithfully,  
**For Sanathnagar Enterprises Limited**

  
**Hitesh Marthak**  
Company Secretary  
Membership No.: A18203



Encl.: as above.

# **SANATHNAGAR ENTERPRISES LIMITED**

## **72<sup>ND</sup> ANNUAL REPORT FINANCIAL YEAR 2018-19**

IN VIEW OF GREEN INITIATIVES INITIATED BY THE GOVT. OF INDIA, MINISTRY OF CORPORATE AFFAIRS, WE REQUEST YOU TO REGISTER YOUR EMAIL ID WITH THE REGISTRAR AND SHARE TRANSFER AGENT, IF YOU ARE HOLDING SHARES IN PHYSICAL MODE AND WITH YOUR DEPOSITORY PARTICIPANT, IF YOU ARE HOLDING SHARES IN DEMATERIALIZED FORM.

SEBI HAS MANDATED THAT SECURITIES OF LISTED COMPANIES CAN BE TRANSFERRED ONLY IN DEMATERIALIZED FORM W.E.F. APRIL 1, 2019. ACCORDINGLY THE COMPANY / ITS RTA HAS STOPPED ACCEPTING ANY FRESH LODGEMENT OF TRANSFER OF SHARES IN PHYSICAL FORM. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE ADVISED TO AVAIL OF THE FACILITY OF DEMATERIALIZATION.

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Ms. Sanjyot Rangnekar	Non Executive Director
Mr. Mayank Jain	Non Executive Director
Mr. Bhushan Shah	Independent Director
Mr. Vinod Shah	Independent Director

### KEY MANAGERIAL PERSONNEL

Mr. Martin Godard	Manager
Mr. Sumit Kumar Jain	Chief Financial Officer
Mr. Hitesh Marthak	Company Secretary & Compliance officer

### STATUTORY AUDITORS

MSKA & Associates, Chartered Accountants (F.K.A. MZSK & Associates)

### REGISTERED OFFICE

412, 17G Vardhaman Chamber,  
Cawasji Patel Road,  
Horniman Circle, Fort, Mumbai-400 001  
Tel.: +91.22.61334400 Fax: +91.22.23024550  
Website: [www.sanathnagar.in](http://www.sanathnagar.in)  
E-mail: [investors.sel@lodhagroup.com](mailto:investors.sel@lodhagroup.com)

### CORPORATE OFFICE

Lodha Excelus, 10<sup>th</sup> floor,  
Apollo Mills Compound, N M Joshi Marg, Mahalaxmi, Mumbai 400 011  
Tel.: +91.22.61959674 Fax: +91.22.2302 4420

### REGISTRAR & TRANSFER AGENT

CIL Securities Limited  
214, Raghava Ratna Towers,  
Chirag Ali Lane, Hyderabad - 500 001.  
Andhra Pradesh, India  
Telephone No.: +91-040-23203155  
Fax: +91 40 23203028  
Email: [rta@cilsecurities.com](mailto:rta@cilsecurities.com)

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**NOTICE**

**NOTICE is hereby given that the 72<sup>nd</sup> Annual General Meeting of the Members of Sanathnagar Enterprises Limited will be held on Tuesday, September 24, 2019 at 11.00 A.M. at 8<sup>th</sup> Floor Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai 400 011 to transact the following business:**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019 together with the Reports of the Board of Directors' and Auditors' thereon and in this regards, pass the following resolution:

**"RESOLVED THAT** the Audited Financial Statements of the Company including the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year ended on that date together with the Reports of the Board of Directors' and Auditors' thereon be and are hereby received, considered and adopted."

**SPECIAL BUSINESS:**

2. Appointment of Mr. Mayank Jain (DIN 08478113) as a Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** Mr. Mayank Jain (DIN: 08478113), who was appointed as an Additional Director w.e.f June 11, 2019 and who holds office up to the date of this Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

3. Appointment of Ms. Sanjyot Rangnekar (DIN 07128992) as a Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** Ms. Sanjyot Rangnekar (DIN 07128992), who was appointed as an Additional Director w.e.f May 15, 2019 and who holds office up to the date of this Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

4. Appointment of Mr. Martin Godard, as a Manager of the Company

To consider and, if thought fit, to pass the following resolution as a **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 196, 203 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "Act") and the relevant rules made thereunder (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force) read with Schedule V of the Act, the consent of the members be and is hereby accorded for appointment of Mr. Martin Godard as the Manager of the Company for a period of 5 years with effect from August 9, 2019 till August 8, 2024 on the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as the "Board" and shall include duly constituted Committee(s) thereof) to alter and vary the terms and conditions of the said appointment as it may deem fit;

**RESOLVED FURTHER THAT** all actions taken by the Board of Directors (including any Committee thereof) and all matters related thereto are specifically approved and ratified;

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) of the Company, be and are hereby severally authorised to complete all the formalities, file necessary forms and to do all such acts, deeds and things as may be necessary in this regard.”

**For and on behalf of Board  
Sanathnagar Enterprises Limited**

**Sd/-  
Hitesh Marthak  
Company Secretary  
Membership No. : A18203**

**Date : August 9, 2019**

**Place : Mumbai**

**Registered Office:**

412, Floor-4, 17G, Vardhaman Chamber,  
Cawasji Patel Road, Horniman Circle,  
Fort, Mumbai-400001  
CIN L99999MH1947PLC252768  
Telephone No. :+9122- 61334400.  
Fax No. : +9122-23024550  
Website : www.sanathnagar.in  
E-mail : investors.sel@lodhagroup.com

**Notes:**

- 1) The relative Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), in regard to the businesses as set out in Item No. 2 to 4 above and the relevant details of the Director and Manager seeking appointment as required by Regulation 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and as required under Secretarial Standards - 2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed hereto.
- 2) **A MEMBER ENTITLED TO ATTEND AND VOTE AT IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed, stamped and signed, not later than 48 hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

- 3) A proxy form is annexed to this notice of the Meeting. The holder of the proxy shall prove his identity at the time of attending the Meeting.
- 4) Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the normal business hours of the Company during the period beginning twenty-four (24) hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than three (3) days in writing of the intention to inspect the proxies lodged shall be required to be provided to the Company.

- 5) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representatives authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
- 6) This Notice is also being sent with Annual Report along with attendance slip, proxy form and route map of the venue of the Meeting.
- 7) Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report at the Meeting.
- 8) In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 9) Members who hold shares in dematerialised form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.
- 10) Members holding shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's Registrar and Share Transfer agent, CIL Securities Ltd., 214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500 001, Tel No: 91 - 040 - 23203155, Email Id: rta@cilsecurities.in enclosing their original share certificate to enable them to consolidate the holdings into one folio.
- 11) The Register of Members and Share Transfer Books of the Company would remain closed from Wednesday, September 18, 2019 to Tuesday, September 24, 2019 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013.
- 12) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
- 13) Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office /Corporate Office of the Company on all working days, excluding Saturday, Sunday and public holidays between 11.00 a.m. and 1.00 p.m. The aforesaid documents will also be available for inspection at the Meeting.
- 14) In terms of Rule 18 of the Companies (Management and Administration) Rules, 2014, a Company may give notice through electronic mode addressing to the person entitled to receive such e-mail as per the records of the Company or as provided by the depository, provided that the Company shall provide an advance opportunity atleast once in a financial year, to the member to register his e-mail address and changes therein and such request may be made by only those members who have not got their email id recorded or to update a fresh email id and not from the members whose e-mail ids are already registered. In view of the above, the Company hereby requests members who have not updated their email IDs to update the same with their respective Depository Participant(s) or the CIL Securities Limited, Registrar and Transfer Agent (R&T) of the Company. Further, Members holding shares in electronic mode are also requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the R & T of the Company quoting their folio number(s).
- 15) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS) and Electronic Clearing Service (ECS) mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's record which will help the Company and the Company's Registrars and Transfer Agents, CIL Securities Limited (RTA) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes either to the Company or to RTA.
- 16) The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN

details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to CIL Securities Limited, Registrar and Share Transfer Agent of the Company.

- 17) Securities and Exchange Board of India ("SEBI") has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, the Company/RTA has stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.
- 18) Members desiring any information relating to the financial statements are requested to write to the Company well in advance so as to enable the management to keep the information ready.
- 19) Members holding shares of the Company as on Tuesday, September 17, 2019 (cut-off date), shall be entitled to vote at the Annual General Meeting of the Company. A person who is not a member as on the cut-off date should treat this notice for information purpose only.
- 20) The Company is providing facility for voting by electronic means (E-voting) through an electronic voting system which will include remote E-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force and the business set out in the Notice will be transacted through such voting. Information and instructions including details of User ID and password relating to such e-voting are provided in the E-voting Instructions Letter (annexed separately) which forms part of the Notice.

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**EXPLANATORY STATEMENT**

As required by Section 102 of the Companies Act, 2013 (the Act), the following Statement sets out all material facts relating to the business mentioned under Item No. 2 to 4 of the accompanying Notice.

**ITEM NO. 2:**

Mr. Mayank Jain was appointed as an Additional Director (non-executive), liable to retire by rotation, effective June 11, 2019 on the recommendation of the Nomination and Remuneration Committee. As per the provisions of Section 161(1) of the Act, he holds office of Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director.

Mayank Jain is a Chartered Accountant from the Institute of Chartered Accountant of India. He has more than 10 years of experience with large consulting firms providing advisory service to the real estate sector.

The Board recommends the Resolution at Item No. 2 of the accompanying Notice for the approval by the Members of the Company.

Other than Mr. Mayank Jain and his relatives, none of the Directors or Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise in this resolution.

Additional information in respect of appointment of Mr. Mayank Jain as Director pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is provided in **Annexure 1** to the Explanatory Statement.

**ITEM NO. 3:**

Ms Sanjyot Rangnekar was appointed by the Board as an Additional Director (non-executive), liable to retire by rotation, effective May 15, 2019 on the recommendation of the Nomination and Remuneration Committee. As per the provisions of Section 161(1) of the Act, she holds office of Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director.

Ms Sanjyot Rangnekar joined the Lodha Group in April 2016 as Company Secretary of Macrotech Developers Ltd. She has over two decades of rich experience in secretarial, cost accounting, public offerings, compliance, FEMA, mergers and corporate finance functions. She holds a bachelor's degree in commerce from the University of Mumbai and is a Fellow Company Secretary and a cost and works accountant. Prior to joining Lodha Group she was Group Company Secretary at Essar Power Limited. Prior to Essar, she was Company Secretary and cost accountant with Swastik Surfactants Limited.

The Board recommends the resolution at Item No. 3 of the accompanying Notice for the approval by the Members of the Company.

Other than Ms. Sanjyot Rangnekar and her relatives, none of the Directors or Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise in this resolution.

Additional information in respect of appointment of Ms. Sanjyot Rangnekar as Director pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is provided in **Annexure 1** to the Explanatory Statement.

**ITEM NO. 4:**

Mr. Martin Godard was appointed as Manager of the Company with effect from August 9, 2019 for a period of 5 years subject to approval of the shareholders at the ensuing Annual General Meeting.



Mr. Martin Godard is a M.B.A. from Chhatrapati Shahu Central Institute of Business Education and Research, Kolhapur. He has worked with reputed companies like Rajashree Cements (Aditya Birla Group) and Burlingtons' Exports. He is working for Lodha Group as a Vice President - Human Resource since 2005.

It is now proposed to appoint Mr. Martin Godard as Manager of the Company for a period of 5 years till August 8, 2024. Nomination and Remuneration Committee and the Board of Directors at its meeting held on August 9, 2019 has recommended/approved the appointment of Mr. Martin Godard as Manager of the Company.

This appointment of Mr. Martin Godard as Manager is subject to the approval of the members at the AGM of the Company and any other regulatory approvals, if applicable.

As required under Section 196(4) of the Companies Act, 2013, the terms and conditions of the appointment entered with Mr. Martin Godard are as under:

**I. Tenure of Appointment:**

For a period of 5 years with effect from August 9, 2019 till August 8, 2024.

**II. Nature of Duties:**

The Manager shall devote his whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in the best interest of the Company.

**III. Remuneration:**

The Manager shall not receive any remuneration from the Company during his tenure as a Manager.

**IV. Other terms of Appointment:**

The Manager shall not become interested or otherwise concerned, directly or through his spouse and / or children, in any of the businesses of the Company.

The terms and conditions of the appointment of the Manager may be altered and varied from time to time by the Board as it may, in its discretion deem fit, in such manner as may be agreed to between the Board and the Manager, subject to such approvals as may be required.

Other Terms of appointment shall be as per the policies of the group Companies.

During the period of employment of Manager with the Company or at any time thereafter, except in the course of performance of his duties, he shall not use, divulge or disclose any information to any person, association, agency or Company, any of the information/secrets concerning the affairs of and / or the business of the Company, which he may have acquired incidental to or in the course of his employment in the Company.

The Company has received the necessary consent and disclosures from Mr. Martin Godard in terms of provisions of the Companies Act, 2013.

Except Mr. Martin Godard and his relatives, none of the other Directors /Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the notice.

The additional information in respect of appointment of Mr. Martin Godard as Manager pursuant to the Secretarial Standard on General Meetings, is provided as Annexure 1 to the Explanatory Statement.

The Board recommends the Ordinary Resolution as set out at Item No. 4 of the Notice for your approval.

**For and on behalf of Board  
Sanathnagar Enterprises Limited**

**Sd/-  
Hitesh Marthak  
Company Secretary  
Membership No. : A18203**

**Date : August 9, 2019  
Place : Mumbai**

**Registered Office:**

412, Floor-4, 17G, Vardhaman Chamber,  
Cawasji Patel Road, Horniman Circle,  
Fort, Mumbai-400001  
CIN L99999MH1947PLC252768  
Telephone No. :+9122-61334400.  
Fax No. : +9122-23024550  
Website : [www.sanathnagar.in](http://www.sanathnagar.in)  
E-mail : [investors.sel@lodhagroup.com](mailto:investors.sel@lodhagroup.com)

## Annexure 1

## DISCLOSURE RELATING TO DIRECTORS PURSUANT TO LISTING REGULATIONS AND SECRETARIAL STANDARDS

<b>Name of the Director</b>	Mr. Mayank Jain (DIN: 08478113)	Ms. Sanjyot Rangnekar (DIN: 07128992)	Mr. Martin Godard
<b>Date of Birth</b>	June 16, 1984	July 6, 1970	April 25, 1961
<b>Qualification</b>	Member of the Institute of the Chartered Accountants of India	Member of the Institute of the Company Secretaries of India and the Institute of the Cost and Works Accountants of India	M.B.A. from Chhatrapati Shahu Central Institute of Business Education and Research, Kolhapur
<b>Experience</b>	Mr. Mayank Jain has more than 10 years of experience with large consulting firms providing advisory service to the real estate sector	Ms. Sanjyot Rangnekar has over two decades of rich experience in secretarial, cost accounting, public offerings, compliance, FEMA, mergers and corporate finance functions Limited amongst others.	Mr. Martin Godard has worked with reputed companies like Rajashree Cements (Aditya Birla Group) and Burlingtons' Exports. He is working for Lodha Group as Vice President - Human Resource since 2005
<b>Terms &amp; Conditions of appointment</b>	Non-Executive, Non-Independent and other terms and conditions as per the Companies Act, 2013	Non-Executive, Non-Independent and other terms and conditions as per the Companies Act, 2013	As detailed out in the accompanying notice
<b>Remuneration last drawn &amp; Sought to be paid</b>	N.A.	N.A.	N.A.
<b>Date of Appointment</b>	June 11, 2019	May 15, 2019	August 9, 2019
<b>Directorships held in other companies as on March 31, 2019</b>	Nil	<ul style="list-style-type: none"> <li>• Center For Urban Innovation</li> <li>• Cowtown Software Design Private Limited</li> <li>• Roselabs Finance Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Dalhousie Leasing and Financial Services Private Limited</li> </ul>
<b>Memberships of committees across companies (includes only Audit &amp; Stakeholders Relationship Committee) as on March 31, 2019</b>	Nil	Audit Committee and Stakeholders Relationship Committee of Roselabs Finance Limited	Nil
<b>Shareholding in the Company (Equity)</b>	Nil	Nil	Nil
<b>Relationship with other Directors/ Manager/Key Managerial Personnel</b>	None	None	None
<b>Number of Board meetings attended during the year 2018-19</b>	N.A. as appointed on June 11, 2019	N.A. as appointed on May 15, 2019	N.A.

## E-voting

- (i) In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members a facility to exercise their right to vote on business proposed to be transacted at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the

AGM, ("remote e-voting") will be provided by National Securities Depository Limited (NSDL). The details of the process and manner of e-voting along with the user ID and Password are being sent to all the Members along with the Notice.

- (ii) The facility for voting through ballot paper shall be made available at the AGM premises and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- (iii) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (iv) The remote e-voting period commences on Friday, September 20, 2019 (9:00 am) and ends on Monday, September 23, 2019 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, September 17, 2019 may cast their vote by remote e-voting. The remote e-voting module shall be forthwith blocked by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (v) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (vi) The Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Tuesday, September 17, 2019 .
- (vii) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Tuesday, September 17, 2019 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if you are already registered with NSDL for remote e-voting than you can use your existing user ID and password for casting your vote.
- (viii) A member can opt for only one mode of voting i.e. either through remote e-voting or by Ballot. If a member casts vote by both modes, then voting done through remote e-voting shall prevail and the Ballot form shall be treated as invalid.
- (ix) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cutoff date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- (x) The Company has appointed Mr. Shraavan Gupta, Practising Company Secretary, as scrutinizer for conducting the remote e-voting process and also for conducting voting process by means of Ballot Paper at the AGM in a fair and transparent manner.
- (xi) The Chairman shall, at the Annual General Meeting, at the end of discussion on the business matters on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (xii) The scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting through ballot paper and the scrutinizer will thereafter unblock the votes cast through remote e-voting, in the presence of atleast two witnesses not in the employment of the Company and not later than three days of the conclusion of the AGM, scrutinizer will submit its report on the total votes cast in favour or against, if any, to the Chairman/Managing Director or a person authorized by him in writing, who shall counter sign the same and declare the result of the voting forthwith.
- (xiii) The Results declared along with the report of the Scrutinizers shall be placed on the website of the Company [www.roselabsfinancelimited.in](http://www.roselabsfinancelimited.in) and on the website of the NSDL immediately after the declaration of result by the Chairman/ Managing Director or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchange (BSE Limited).

## DIRECTORS' REPORT

**Dear Members,**

The Directors are pleased to present the 72<sup>nd</sup> Annual Report of the Company along with the audited financial statements for the financial year ended March 31, 2019.

### FINANCIAL HIGHLIGHTS

(Rs. in lakhs)

Particulars	2018-19	2017-18
Revenue from operations	66.45	488.29
<b>Total Income</b>	<b>71.73</b>	<b>615.83</b>
Finance costs	1.80	6.76
<b>Total Expenditure</b>	<b>155.34</b>	<b>763.06</b>
Loss before tax	(83.61)	(147.23)
Tax Expenses	-	(24.96)
Other Comprehensive Income under IND AS	-	0.13
<b>Total Comprehensive Income</b>	<b>(83.61)</b>	<b>(172.06)</b>

### REVIEW OF PERFORMANCE AND FUTURE OUTLOOK

Revenue from operations reduced during the financial year 2018-19 on account of sale of balance inventory in the Company's Hyderabad project. The Company incurred a loss of Rs 83.61 lakhs during financial year 2018-19 as against a loss of Rs 172.06 lakhs during the previous financial year.

The Company's project at Hyderabad is fully completed. The Company is evaluating various other business opportunities in the real estate space.

### DIVIDEND AND RESERVES

The Board does not recommend any dividend for the financial year under review in view of the losses sustained during the year. No amount is proposed to be transferred to any reserves during the year.

### CORPORATE MILESTONES

1. The suspension in trading of the Company's securities was revoked by BSE Limited on April 25, 2018 which was effective from May 3, 2018.
2. In order to achieve minimum public shareholding ("MPS") by the Company, Siddhnath Residential Paradise Private Limited, a promoter of the Company ("Promoter") undertook an Offer For Sale ("OFS") of 5,45,540 equity shares of Rs. 10/- each, representing 17.32% of the share capital of the Company. Pursuant to the OFS, your Company is now compliant with the MPS norms and is also in compliance with the requirements of Regulation 38 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). Post OFS, the public shareholding of your Company has increased from 7.68% to 25% whereas the promoter shareholding has reduced from 92.32% to 75%. SEBI passed an order dated June 12, 2018, thereby vacating the restrictions imposed by the SEBI MPS Orders dated May 4, 2013 and September 29, 2015.
3. **SEBI Settlement order**

At the request of the Company, SEBI issued a notice of settlement dated June 19, 2018 ("Settlement Notice"), under Regulation 14A of Chapter VIA of the Securities and Exchange Board of India (Settlement of Administrative and Civil Proceedings) Regulations, 2014 ("SEBI Settlement Regulations") relating to the delay in compliance with MPS requirements by SEL from June 4, 2013 to May 21, 2018. SEBI, pursuant to the Settlement Notice, directed SEL to file

a settlement application and pay a settlement amount of Rs 5.85 lakhs ("Settlement Amount"). SEBI, on June 28, 2018, passed the final settlement order.

## **ANNUAL RETURN**

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the extract of the annual return for financial year 2018-19 is given in **Annexure I** in Form MGT-9, which is a part of this report.

## **CHANGES IN SHARE CAPITAL**

There was no change in the authorized and paid-up share capital of the Company during financial year 2018-19.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Ms Sanjyot Rangnekar and Mr Mayank Jain were appointed as Additional Directors with effect from May 15, 2019 and June 11, 2019 respectively, on recommendation of the Nomination & Remuneration Committee and hold office upto the date of the forthcoming Annual General Meeting. Notice under section 160(1) of the act have been received from members signifying their intention to propose their appointment as Directors. Resolutions for their appointment as Directors form part of the accompanying Annual General Meeting notice.

Mr. Sumit Kumar Jain was appointed as Additional Director with effect from August 7, 2018. His appointment was not put up to the shareholders at the Annual General Meeting held on September 24, 2018 and therefore his office stood vacated as on that date.

Mr. Manoj Vaishya was appointed as Additional Director with effect from October 30, 2018 and resigned as Director on June 10, 2019. Ms. Purnima Pavle resigned as Director with effect from May 8, 2019. The Board places on record its appreciation for the services rendered by them during their tenure as Director.

Mr Maninder Chhabra resigned as Manager w.e.f. June 19, 2019. Mr Martin Godard was appointed as Manager w.e.f. August 9, 2019. The relevant resolution for approval of appointment of Mr. Martin Godard forms part of the accompanying Annual General Meeting Notice.

Mr. Vishal Ghadigaonkar resigned as Chief Financial Officer w.e.f. October 30, 2018. Mr. Sumit Kumar Jain was appointed as Chief Financial Officer with effect from the same date.

In terms of Section 203 of the Act, the following are the Key Managerial Personnel of the Company as on the date of this report:

- Mr. Martin Godard, Manager
- Mr. Sumit Kumar Jain, Chief Financial Officer
- Mr. Hitesh Marthak, Company Secretary

The Company has received declarations under section 149 of the Act from all independent directors confirming that they meet the criteria of independence prescribed under the Act and the Listing Regulations.

None of the Non-Executive Directors had any pecuniary relationship or transaction with the Company which could potentially conflict with the interests of the Company at large.

## **BOARD AND BOARD COMMITTEES**

### **Board Meetings**

Four Board meetings were held during the year; on May 18, 2018, August 7, 2018, October 30, 2018 and January 23, 2019. The gap between two meetings did not exceed 120 days.

All Directors attended all meetings which they were eligible to attend during the year

#### **Independent Directors' Meeting**

In compliance with Schedule IV to the Act (Code for Independent Directors) and the Listing Regulations, the Independent Directors of the Company met separately during the financial year 2018-19.

#### **Board Committees**

The Board has constituted four committees as on March 31, 2019.

#### **Audit Committee**

As on March 31, 2019, the Audit Committee comprised Mr. Bhushan Shah, Chairman, Mr. Vinod Shah, both independent directors and Ms Purnima Pavle. All Members of the Committee have relevant experience in financial matters. Senior executives are invited to participate in the meetings of the Committee as and when necessary. The Manager and the Chief Financial Officer are permanent invitees to the meetings and the Company Secretary acts as Secretary to the Committee. The terms of reference of the Audit Committee are in line with the provisions of Section 177 of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

The Audit Committee met four times during the year; on May 18, 2018, August 7, 2018, October 30, 2018 and January 23, 2019.

All Directors attended all meetings which they were eligible to attend during the year

#### **Nomination & Remuneration Committee**

As on March 31, 2019, the Nomination & Remuneration Committee comprised Mr. Bhushan Shah, Chairman, Mr. Vinod Shah and Mr. Manoj Vaishya. The terms of reference of the Committee are in line with the provisions of Section 178 of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

The Committee met three times during the year; on May 18, 2018, August 7, 2018 and October 30, 2018.

All Directors attended all meetings which they were eligible to attend during the year

#### **Corporate Social Responsibility Committee**

As on March 31, 2019, the CSR Committee comprised Ms Purnima Pavle, Chairperson, Mr. Bhushan Shah, Chairman and Mr. Vinod Shah. The Committee met once during the financial year; on May 18, 2018.

All Directors attended all meetings which they were eligible to attend during the year

Details required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in the CSR Report appended at **Annexure II** to this Report. The Board has adopted a CSR Policy which is available on the Company's website at [www.sanathnagar.in](http://www.sanathnagar.in). Salient features of the Policy are set out in **Annexure III** to this Report.

#### **Stakeholders' Relationship Committee**

As on March 31, 2019, the Stakeholders' Relationship Committee comprised Mr. Bhushan Shah, Chairman, Mr. Vinod Shah, and Mr. Manoj Vaishya. The Committee met four times during the year; on May 18, 2018, August 7, 2018, October 30, 2018 and January 23, 2019.

All Directors attended all meetings which they were eligible to attend during the year

## BOARD EVALUATION

The Board carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and the SEBI Listing regulations. Performance of the board was evaluated after seeking inputs from all the directors on the basis of criteria such as board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings.

In a separate meeting of independent directors, performance of non-independent directors and the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

## POLICY ON NOMINATION & REMUNERATION OF DIRECTORS, KMPS & OTHER EMPLOYEES

In terms of the provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations, the NRC is responsible for formulating the criteria for determining qualifications, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board, a policy relating to remuneration of Directors, Key Managerial Personnel and other employees. In line with this requirement, the Board has adopted a Nomination and Remuneration Policy which is available on the Company's website at [www.sanathnagar.in](http://www.sanathnagar.in). Salient features of the Policy are reproduced in **Annexure IV** to this Report.

## AUDITORS & AUDITOR'S REPORTS

- **Statutory Auditor**

MSKA & Associates (F.K.A. MZSK & Associates), Chartered Accountants (Firm Registration No. 105047W), the statutory auditors of your Company, hold office until the conclusion of the 74th AGM to be held in the year 2021.

- **Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Shravan A. Gupta & Associates, Practising Company Secretary was appointed as Secretarial Auditor to conduct a secretarial audit for the financial year 2018-19.

- **Cost records and cost audit**

D. C. Dave & Co, Cost Accountants were appointed as Cost auditors to audit the cost records of the Company for financial year 2018-19. The requirement for maintaining cost records or appointing a cost auditor is however not applicable for financial year 2018-19 as the prescribed applicability criteria were not met as on March 31, 2019.

### Auditor's Reports

- The Statutory Auditor's Report for financial year 2018-19 does not contain any qualifications, reservations or adverse remarks. The Auditor's report is enclosed with the financial statements with this Annual Report.
- The Secretarial Audit Report for financial year 2018-19 does not contain any qualifications, reservations or adverse remarks. The Secretarial Audit Report is provided in **Annexure V** of this Report.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company is in the business of providing "infrastructural facilities" as defined in Schedule VI of the Companies Act 2013 and therefore the provisions of Section 186 are not applicable to any loan made, guarantee given or security provided by the Company in terms of exemption provided u/s 186. Particulars of investments made by the Company are provided in the financial statements which may be read in conjunction with this Report.



## **RELATED PARTY TRANSACTIONS**

The transactions/contracts/arrangements, falling within the purview of provisions of Section 188(1) of the Companies Act, 2013, entered by the Company with related parties as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, were in the ordinary course of business and have been transacted at arm's length basis.

Further there are no transactions/contracts/arrangements entered by the Company with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year, that are required to be reported in Form AOC-2 and as such; it does not form part of the Report.

## **HOLDING COMPANY, SUBSIDIARIES, JOINT VENTURE AND ASSOCIATES**

The Company is a subsidiary of Siddhnath Residential Paradise Private Limited which is a subsidiary of Macrotech Developers Limited. The ultimate holding company is Sambhavnath Infrabuild and Farms Private Limited. During the year, under review, the Company did not have any subsidiary, joint ventures or associate companies.

## **MANAGEMENT AND INTERNAL CONTROLS**

### **Risk Management**

Your Company has robust process in place to identify key risks and to prioritize relevant action plans to mitigate these risks. Your Company has adopted a Risk Management policy which is based on three pillars: Business Risk Assessment, Operational Controls Assessment and Policy Compliance processes. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

### **Internal Controls and their adequacy**

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of operations. These systems are routinely tested and certified by the Statutory as well as the Internal Auditor and cover all offices, sites and key business areas. Significant audit observations and follow up actions thereon are reported to the Board/ Audit Committee. The Board / Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems. These systems provide a reasonable assurance in respect of financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention & detection of frauds, accuracy & completeness of accounting records and ensuring compliance with corporate policies.

### **Vigil Mechanism**

Your Company provides a common platform to its employees and directors for complaint handling in the form of whistle-blowing (vigil) mechanism. The Company has established a vigil mechanism process by adopting a Vigil Mechanism / Whistle Blower Policy for directors and employees. This policy outlines the procedures for reporting, handling, investigating and deciding on the course of action to be taken in case inappropriate conduct / behaviour is/are noticed, reported or suspected. The Policy provides for adequate safeguards against victimization of persons who use the mechanism and has a process for providing direct access to the Ombudsman in appropriate or exceptional cases.

The employees of the Company have the right to report their concern or grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Vigil Mechanism / Whistle Blower Policy is posted on the Company's website [www.sanathnagar.in](http://www.sanathnagar.in).

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**DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014**

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) 2014 is not relevant to the company as the company has no employee, directors do not draw any remuneration other than sitting fees and key managanal personnel have been deputed by the holding company.

The provisions of Section 197(12) of the Act read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended do not apply as there are no employees who draw remuneration in excess of the limits set out in the said Rules.

**DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in **Annexure VI** to this report. There was no foreign exchange earnings or outgo during the financial year 2018-19.

**CORPORATE GOVERNANCE REPORT**

As the paid up equity share capital and networth of the Company are below the limits specified in Regulation 15 of the Listing Regulations, the Company is not required to furnish a report on corporate governance and therefore the same does not form part of this Report.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34 read with Schedule V of the Listing Regulations is given separately which may be taken as forming a part of this Report.

Your Directors state that for the financial year ended March 31, 2019, no disclosure is required in respect of the following items and accordingly confirm as under:

- a. The Company has neither revised the financial statements nor the Board's report.
- b. As there are no employee, the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, is not applicable to the Company.
- c. There are no material changes or commitments affecting the financial position of the Company between March 31, 2019 and the date of this report.
- d. The Company has not accepted any deposits during financial year 2018-19.
- e. No instance of fraud has been reported to the Board by the Auditors or any other person.
- f. No significant or material orders which impact the going concern status and Company's operations in future were passed by Regulators/Courts/Tribunals.
- g. There was no change in the nature of the business of the Company during the financial year 2018 -19.
- h. There was no issue of equity shares with differential rights as to dividend, voting or otherwise during the financial year 2018-19.
- i. The Company has not issued any shares (including sweat equity shares) to its employees under any scheme during the financial year 2018-19.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirms that:

- a. in the preparation of the annual accounts the applicable accounting standards had been followed and there are no material departures;
- b. Directors had 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 loss of the Company for that period;
- c. the Directors had 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;
- d. the Directors had prepared the annual accounts on a going concern basis;
- e. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**ACKNOWLEDGEMENTS**

Your Directors would like to express their grateful appreciation for the assistance and support extended by all stakeholders.

For and on behalf of the Board  
**Sanathnagar Enterprises Limited**

**Date : August 9, 2019**

**Place : Mumbai**

**Sanjyot Rangnekar**

**Director**

**DIN: 07128992**

**Mayank Jain**

**Director**

**DIN: 08478113**

**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2019**  
**OF**  
**SANATHNAGAR ENTERPRISES LIMITED**

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

Particulars	Details
CIN	: L99999MH1947PLC252768
Registration Date	: 18/06/1947
Name of the Company	: Sanathnagar Enterprises Limited
Category of the Company	: Company Limited By Shares
Sub-Category of the Company	: Indian Non-Government Company
Address of the Registered Office	: 412, Floor-4, 17G, Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai-400001.
Contact Details	: 022 – 23024400
Whether listed company	: Yes
Name of Registrar & Transfer Agents	: CIL Securities Limited
Address of Registrar & Transfer Agents	: 214, Raghava Ratna Tower, Chirag Ali Lane, Hyderabad, Telangana – 500001 Andhra Pradesh, India.
Contact Details of Registrar & Transfer Agents	: +91 - 040 – 23203155

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

Business activities contributing 10 % or more of the total turnover of the Company:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Construction and development of real estate and allied activities	410	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Holding Company					
Sr. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shareheld	Applicable Section
1.	Siddhnath Residential Paradise Private Limited 412, Floor – 4, 17G, Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai – 400001	U70109MH2007PTC166867	Holding Company	72.67%	2(46)

The Company did not have any subsidiaries, joint ventures and associate companies during financial year.

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters and Promoter Group</b>									
<b>(1) Indian</b>									
(a) Individual/ HUF	18,105		18,105	0.57%	18,105	0	18,105	0.57%	0.00%
(b) Central Govt	0	0	0	0.00%	0	0	0	0	0.00%
(c) State Govt(s)	0	0	0	0.00%	0	0	0	0	0.00%
(d) Bodies Corp.	53,985	28,35,947	28,89,932	91.74%	23,44,392	0	23,44,392	74.43%	-17.32%
(e) Banks / FI	0	0	0	0.00%	0	0	0	0	0.00%
<b>Sub-total (A) (1):-</b>	<b>72,090</b>	<b>28,35,947</b>	<b>29,08,037</b>	<b>92.32%</b>	<b>23,62,497</b>	<b>0</b>	<b>23,62,497</b>	<b>75.00%</b>	<b>-17.32%</b>
<b>(2) Foreign</b>									
(a)NRIs Individuals	0	0	0	0.00%	0	0	0	0	0.00%
(b)Other –Individuals	0	0	0	0.00%	0	0	0	0	0.00%
(c) Bodies Corp.	0	0	0	0.00%	0	0	0	0	0.00%
(d) Banks / FI	0	0	0	0.00%	0	0	0	0	0.00%
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>72,090</b>	<b>28,35,947</b>	<b>29,08,037</b>	<b>92.32%</b>	<b>23,62,497</b>	<b>0</b>	<b>23,62,497</b>	<b>75.00%</b>	<b>-17.32%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	0	4,644	4,644	0.15%	0	4,644	4,644	0.15%	0.00%
(b) Banks / FI	8,100	14,797	22,897	0.73%	22,333	57	22,390	0.71%	-0.02%
(c) Central Govt/ State Govt(s)	0	32,496	32,496	1.03%	0	32,496	32,496	1.03%	0.00%
(d)Venture Capital Funds	0	0	0	0.00%	0	0	0	0	0.00%
(e)Insurance Companies	0	0	0	0.00%	0	0	0	0	0.00%
(a) FIs	0	0	0	0.00%	0	0	0	0	0.00%
	0	0	0	0.00%	0	0	0	0	0.00%
(b) Foreign	0	0	0	0.00%	0	0	0	0	0.00%
Venture Capital	0	0	0	0.00%	0	0	0	0	0.00%
<b>Sub-total (B)(1):-</b>	<b>8,100</b>	<b>51,937</b>	<b>60,037</b>	<b>1.91%</b>	<b>22,333</b>	<b>37,197</b>	<b>59,530</b>	<b>1.89%</b>	<b>-0.02%</b>
<b>2. Non- Institutions</b>									
(a) Bodies Corp.									
(i) Indian	15	1,32,611	1,32,626	4.21%	56,131	2,431	58,562	1.86%	-2.35%
(ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
(b) Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2,070	47,220	49,290	1.56%	5,10,631	45,836	5,56,467	17.67%	16.10%
(i) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0.00%	1,12,931	0	1,12,931	3.59%	3.59%
(c) Others (NRI's)	0	10	10	0.00%	3	10	13	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>2,085</b>	<b>1,79,841</b>	<b>1,81,926</b>	<b>5.78%</b>	<b>6,79,696</b>	<b>48,277</b>	<b>7,27,973</b>	<b>23.11%</b>	<b>17.33%</b>
<b>Total Public shareholding (B)=(B)(1)+(B)(2)</b>	<b>10,185</b>	<b>2,31,778</b>	<b>2,41,963</b>	<b>7.68%</b>	<b>7,02,029</b>	<b>85,474</b>	<b>7,87,503</b>	<b>25.00%</b>	<b>34.67%</b>
<b>C. Shares held by Custodian for GDR/ ADR</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>82,275</b>	<b>30,67,725</b>	<b>31,50,000</b>	<b>100.00%</b>	<b>30,64,526</b>	<b>85,474</b>	<b>31,50,000</b>	<b>100.00%</b>	

(ii) Shareholding of Promoters

	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	N.P.S. Shinh	14,955	0.47	-	14,955	0.47	-	-
2.	Manita Shinh	3,150	0.10	-	3,150	0.10	-	-
3.	Siddhnath Residential Paradise Private Limited	28,34,528	89.99	-	22,88,988	72.67	-	-17.32%
4.	Continuous Forms (Calcutta) Limited	53,985	1.71	-	53,985	1.71	-	-
5.	Arihant Premises Private Limited	993	0.03	-	993	0.03	-	-
6.	Macrotech Developers Limited	426	0.01	-	426	0.01	-	-
	<b>Total</b>	<b>29,08,037</b>	<b>92.32</b>	<b>-</b>	<b>23,62,497</b>	<b>75.00</b>	<b>-</b>	<b>-</b>

(iii) Change in Promoters' Shareholding

Particulars	Date	Shareholding details		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company Siddhnath Residential Paradise Pvt Ltd
a) At the beginning of the period	01-Apr-2018	2,908,037	92.32	-	-
b) Changes during the year	17-May-2018	(272,770)	(17.32)	-	-
	18-May-2018	(272,770)			
c) At the end of the year	31-Mar-2019	23,62,497	75.00	2362497	75.00

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr no	Top 10 shareholders	Shareholding at the end of the year ended 31.03.2018		Shareholding at the end of the year ended 31.03.2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mahendra Girdharilal <sup>1</sup>	-	-	46,399	1.47
2.	The Governor of Andhra Pradesh	32,496	1.03	32,496	1.03
3.	Ramavatar Badaya <sup>1</sup>	-	-	32,064	1.02
4.	Hindustan Tradecom Pvt Ltd <sup>1</sup>	-	-	23,899	0.76
5.	Life Insurance Corporation of India	14,027	0.45	14,027	0.45
6.	Neha Panwar <sup>1</sup>	-	-	12,851	0.41
7.	Kamal Kishore Paharia <sup>1</sup>	-	-	11,336	0.36
8.	Niharika Realtors Pvt Ltd <sup>2</sup>	129,974	4.13	10,383	0.33
9.	Vandana Bajaj <sup>1</sup>	-	-	10,281	0.33
10.	Rakesh Gupta HUF <sup>1</sup>	-	-	9,436	0.30
11.	ICICI Bank Ltd	8,100	0.26	8,100	0.26
12.	Unit Trust of India	4,644	0.15	4,644	0.15
13.	A P Industrial Development Corpn Ltd	1,890	0.06	1,890	0.06
14.	Sanjay Hiralal Patel	1,200	0.03	1,200	0.03
15.	Praful Manilal Shah	997	0.03	997	0.03
16.	Chirayush Pravin Vakil	807	0.03	807	0.03
17.	Atul Gupta	759	0.02	759	0.02

## SANATHNAGAR ENTERPRISES LIMITED

Reasons for change:

1. Shares purchased during the year
2. Shares sold during the year

### (v) Shareholding of Directors and Key Managerial Personnel

Directors and Key Managerial Personnel do not hold any shares in the Company.

### V. INDEBTEDNESS (including interest outstanding/accrued but not due for payment)

(Amount in Rs.)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	13,44,28,232	-	13,44,28,232
ii) Interest due but not paid	-	1,80,205	-	1,80,205
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>13,46,08,437</b>	-	<b>13,46,08,437</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	2,46,78,872	-	2,46,78,872
• Reduction	-	-	-	-
<b>Net Change</b>		<b>2,46,78,872</b>		<b>2,46,78,872</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	15,92,87,309	-	15,92,87,309
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>15,92,87,309</b>	-	<b>15,92,87,309</b>

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager -

Sr. No.	Particulars of Remuneration	Manager	Total
		Maninder Chhabra	
1	Gross salary		
	a. Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	856,778	856,778
	b. Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-
	c. Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-
2	Stock Option	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.
4	Commission		
	- as % of profit		
	- others, specify...	N.A.	N.A.
5	Others, please specify	N.A.	N.A.
	<b>Total</b>	<b>856,778</b>	<b>856,778</b>

Manager is Deputed by holding company. 7.5% of his salary has been charged to the company and the same is being reimbursed by the company to the holding company.

**B. Remuneration to other directors**

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount (Rs)
		Vinod Shah	Bhushan Shah	
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	127,500 - -	127,500 - -	255,000 - -
	<b>Total (1)</b>	<b>127,500</b>	<b>127,500</b>	<b>255,000</b>
2.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	- - -	- - -	- - -
	Total (2)	-	-	-
	Total (B)=(1+2)	127,500	127,500	255,000
	<b>Total Managerial Remuneration</b>	<b>127,500</b>	<b>127,500</b>	<b>255,000</b>
	Overall Ceiling as per the Act	N. A.		

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CS	CFO		
		Hitesh Marthak	Vishal Ghadigaonkar	Sumit Jain	
1	Gross salary				
	a. Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	334,881	142,823	129,314	607,018
	b. Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-
	c. Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2	Stock Option	N.A.	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.	N.A.
4	Commission				
	- as % of profit				
	- others, specify...	N.A.	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.	N.A.
	<b>Total</b>	<b>334,881</b>	<b>142,823</b>	<b>129,314</b>	<b>607,018</b>

\* the CFO and CS are have been deputed by holding company. 7.5% of their salary has been charged to the Company and the same is being reimbursed by the Company to the holding company.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

There were no penalties, punishment or compounding of offences during the year ended March 31, 2019.

For and on behalf of the Board  
**Sanathnagar Enterprises Limited**

Date : August 9, 2019  
Place : Mumbai

Sanjyot Rangnekar  
Director  
DIN:07128992

Mayank Jain  
Director  
DIN: 08478113



**Annual Report on Corporate Social Responsibility  
[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]**

Sr. No.	Particulars	Details
1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web- link to the CSR policy and projects and programs	<p>The Policy emphasizes initiatives in specific areas of social development that would include primary and secondary education, skills development, vocational training, health and hygiene, preventive health care and sanitation, women empowerment, environment and ecological protection, character building by providing training opportunities in sports and cultural activities etc.</p> <p>The Company has framed its CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is available on the Company's website at the web link <a href="http://www.sanathnagar.in/Policies.html">http://www.sanathnagar.in/Policies.html</a></p>
2.	Composition of the CSR Committee as on March 31, 2019	<ul style="list-style-type: none"> <li>• Ms. Purnima Pavle - Chairperson</li> <li>• Mr. Bhushan Shah</li> <li>• Mr. Vinod Shah</li> </ul>
3.	Average Net Profit of the Company for last three financial years	Rs. 1,256 lakhs
4.	Prescribed CSR Expenditure (two percent of the amount as per item 3 above)	Rs. 25.13 lakhs
5.	Details of CSR spent during the financial year; a. Total amount spent for the financial year b. Amount unspent, if any c. Manner in which the amount spent during the financial year is detailed below:	<p>Nil.</p> <p>Rs. 25.13 lakhs</p> <p>N.A.</p>
6.	In In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.	The CSR requirement was met at a group level. As against a CSR spend requirement of Rs. 1,372 lakhs, the actual spend on CSR for the financial year 2018-19 was Rs. 2,244 lakhs in the fields of environment sustainability, preventive health care, social economics development, training and education etc.

For and on behalf of the Board  
**Sanathnagar Enterprises Limited**

Date : August 9, 2019  
Place : Mumbai

**Sanjyot Rangnekar**  
Chairperson of the Committee  
DIN: 07128992

**Bhushan Shah**  
Director  
DIN: 07484485

### Salient features of the CSR Policy

#### A. Policy Objectives:

The objective of this Policy is to set out guiding principles for carrying out CSR activities and also to set up process of implementation and monitoring of CSR activities to be undertaken by the Company.

#### B. Implementation:

All CSR projects/activities will be over and above the normal course of the Company's business and will be implemented as permissible under the applicable provisions of the Companies Act.

#### C. Governance :

CSR implementation shall be periodically reviewed and monitored by the CSR Committee of the Board constituted as per the requirements of Section 135 of the Companies Act, 2013.

#### D. CSR focus areas:

The Company may undertake the following activities under the ambit of CSR:

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
2. Promoting education, hosting events, performances in pure arts including special education and employment enhancing vocational skills especially among children, women and the differently abled and livelihood enhancement projects;
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; day care centers and such other facilities and measures for reducing inequalities faced by socially and economically backward groups;
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna and conservation of natural resources;
5. Protection of national heritage, art and culture; setting up public libraries; promotion and development of traditional arts and handicrafts;
6. Contributions to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
7. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
8. Rural development projects;

The Company may contribute to other areas of interest as permitted under Schedule VII of the Companies Act and update the above list as per Section 135 and Schedule VII of the Companies Act.

For and on behalf of the Board  
Sanathnagar Enterprises Limited

Date : August 9, 2019  
Place : Mumbai

Sanjyot Rangnekar  
Director  
DIN:07128992

Mayank Jain  
Director  
DIN: 08478113

**Salient features of the Nomination & Remuneration Policy**

**A. Policy Objectives**

The objectives of the Nomination & Remuneration Policy are:

1. To ensure diversity on the Board of Directors
2. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director (executive/non-executive/independent) of the Company
3. To recommend policy relating to the remuneration of the Directors, KMP and Senior Management to the Board of Directors of the Company
4. To formulate the criteria for evaluation of performance of Directors

**B. Policy Coverage**

**Part A: Board Composition**

**Board Diversity**

The Committee shall periodically review the size and composition of the Board so as to have an appropriate mix of executive and independent Directors, to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company;

**Succession planning**

The Committee shall establish and review Board, KMP and Senior Management succession plans in order to ensure and maintain a continuing balance of relevant skills, experience and expertise on the Board and Senior Management.

**PART B: Appointment and removal of Directors, KMP and Senior Management**

The Committee shall ascertain the integrity, qualification, expertise and experience of the person identified for appointment as Director, KMP or Senior Management and recommend their appointment to the Board.

The Committee may also recommend removal of a Director, KMP or Senior Management with reasons recorded in writing, subject to the provisions and compliance of the said Act, rules and regulations.

**PART C: Remuneration to Directors, KMP and Senior Management**

The overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company

Remuneration / compensation / commission etc. to be paid to Directors will be determined by the Committee and recommended to the Board for approval.

Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director/ Whole-time Director.

The Company may implement reward & retention schemes from time to time as per organizational needs. These shall be subject to approval of the Committee.

**PART D: Board Evaluation**

The Committee shall carry out an annual evaluation of performance of the Board and Board Committees and formulate criteria for evaluation of performance of independent directors and the Board.

The Committee shall determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

For and on behalf of the Board  
**Sanathnagar Enterprises Limited**

**Date : August 9, 2019**  
**Place : Mumbai**

**Sanjyot Rangnekar**  
**Director**  
**DIN:07128992**

**Mayank Jain**  
**Director**  
**DIN: 08478113**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To  
The Members  
**SANATHNAGAR ENTERPRISES LIMITED**  
**CIN:L99999MH1947PLC252768**  
412, Floor 4, 17 G Vardhaman Chamber,  
Cawasji Patel Road, Horniman Circle,  
Fort Mumbai 400001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SANATHNAGAR ENTERPRISES LIMITED** (hereinafter called the "company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act 2013 and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of foreign direct investments, overseas direct investments, external commercial borrowings; - **Not Applicable during the audit period**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations) 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 notified on 11th September, 2018; **Not Applicable during the audit period**
  - (d) The Securities and Exchange Board of India (Share based employee benefits) Regulation, 2014; **Not Applicable during the audit period**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable during the audit period**

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable during the audit period**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable during the period under Review**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 notified on 11th September, 2018- **Not Applicable during the period under Review**
- (vi) The other laws as are applicable specifically to the Company are compiled as per representation made by the management of company during the audit period.

**I have also examined compliance with the applicable clauses of the following:**

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that, during the audit period:**

The Board of Directors of the Company is duly constituted with proper balance of, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out either unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period,

- i. Suspension in trading of the Company's securities was revoked by BSE Limited on April 25, 2018 which was effective from May 3, 2018.
- ii. In order to achieve minimum public shareholding ("MPS") by the Company, Siddhnath Residential Paradise Private Limited, a promoter of the Company ("Promoter") undertook an Offer For Sale ("OFS") of 5,45,540 equity shares of Rs. 10/- each, representing 17.32% of the share capital of the Company. Pursuant to the OFS, the Company is in compliant with the MPS norms and is also in compliance with the requirements of Regulation 38 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Post OFS, the public shareholding of the Company has increased from 7.68% to 25% whereas the promoter shareholding has reduced from 92.32% to 75%.

**Shravan A. Gupta & Associates**  
**Practicing Company Secretary**

**Shravan A. Gupta**  
**ACS: 27484, CP: 9990**

**Place: Mumbai**  
**Date: May 10, 2019**

**Details of conservation of energy, technology absorption, foreign exchange earnings and outgo**

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in below:

**A. Conservation of Energy**

**i. Steps taken or impact on conservation of energy and use of alternate sources of energy**

- Installation of solar powered street lights
- Use of variable frequency drives for all elevators and air-conditioning equipment.
- Innovative home automation solutions by installation of occupation sensor controlled lighting and air-conditioning
- Extensive use of materials like fly ash, GGBS, etc. resulting in saving of cement thus indirectly saving energy consumed in manufacturing of cement.
- Fine tuning of electrical designs to contain voltage drop to less than 5%.
- Use of low voltage PL lamps
- Installation of waste water equipment plants for treating waste water and utilising it for air-conditioning, watering of green spaces and flushing.

**ii. Capital investment on energy conservation equipment**

The Company has made investments for reduction in consumption of energy. The capital investment on energy conservation equipment cannot be quantified.

**iii. Impact of measures for reduction of energy consumption**

- Reduction in overall maximum demand for the electricity and consequent energy saving benefits to the residents.
- Maintenance of eco system balance on account of provision of extensive green cover, water bodies, waste water treatment and rain harvesting.
- Soil conservation by a complete ban on use of mud bricks in construction and using light weight blocks and reduction in air pollution by utilization of fly ash
- Conservation of forests by use of modern metallic form work instead of timber form work
- Reducing fuel consumption and carbon monoxide pollution by installation of state of the art electronic parking management system

**B. Technology absorption**

Due to completion of the Company's project, no technology absorption measures were taken during the year.

For and on behalf of the Board  
**Sanathnagar Enterprises Limited**

**Date : August 9, 2019**  
**Place : Mumbai**

**Sanjyot Rangnekar**  
**Director**  
**DIN:07128992**

**Mayank Jain**  
**Director**  
**DIN: 08478113**

## MANAGEMENT DISCUSSION AND ANALYSIS

### Indian Economy

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation and International Monetary Fund and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 7.2% in 2017-18 and 7% in 2018-19. India's GDP is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitization, globalization, favourable demographics, and reforms.

India has retained its position as the third largest startup base in the world with over 4,750 technology start-ups.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group report; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by PricewaterhouseCoopers.

### Real Estate sector in India

Real estate sector in India is expected to reach a market size of US\$ 1 trillion by 2030 and contribute 13% of the country's GDP by 2025. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs. Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times. Commercial office stock in India is expected to cross 600 million square feet while office space leasing in the top eight cities is expected to cross 100 million square feet during 2019-20. Co-working space across top seven cities has increased sharply in 2019 (up to September), reaching 3.44 million square feet, compared to 1.11 million square feet for the same period in 2018.

Increasing incomes, urbanization and economic growth are driving residential and commercial realty demand in India. It has also become a preferred asset class for investments. Segments like warehousing, housing and affordable housing are growing at a fast pace in India, presenting wider opportunities for investors.

### Government initiatives

The Government of India has taken several initiatives to encourage the development in the sector. The Government of India's aim of 'Housing for all by 2022' is driving residential development activity while the Real Estate Development Act 2016 is making the sector more transparent.

Some other major Government Initiatives:

- » Under the Pradhan Mantri Awas Yojana, more than 6.85 million houses have been sanctioned up to December 2018.
- » In February 2018, creation of National Urban Housing Fund was approved with an outlay of Rs 60,000 crore
- » The Securities and Exchange Board of India has given its approval for the Real Estate Investment Trust (REIT) platform which will help in allowing all kinds of investors to invest in the Indian real estate market. It would create an opportunity worth Rs 1.25 trillion in the Indian market over the years.

Source <https://www.ibef.org/industry/real-estate-india.aspx>

### Hyderabad real estate

The healthy momentum in Hyderabad's residential market continues on the back of RERA implementation, strong buyer sentiment and an upbeat commercial office segment. Nearly 5,000 units have been launched this quarter, an 84% rise y-o-y. A steady rise in land values over the last 2-3 years across the city is now reflecting in increased capital values. New projects are launching at a 10-15% premium on the average market price across all segments. Improvement in infrastructure has played a significant role in rejuvenating the Hyderabad real estate market. The Telangana government has proposed an investment of over Rs 20,000 Crore for infrastructure development in Hyderabad. Hyderabad will witness the maximum supply in the near-to-medium-term (2018-20), with a contribution of nearly 29% to overall supply in the period.

(Source: Knight Frank Report)

### Our Business

The Company's Casa Paradiso project is a large mid income residential project with supersized 3 room residences in at Sanathnagar in Central Hyderabad. The target profile of this project is the middle / upper middle income segment of the market. The project has been designed by Hafeez Contractor, one of the India's largest and most reputed architectural firms.



**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Sanathnagar Enterprises Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of **Sanathnagar Enterprises Limited** ("the Company"), which comprise the balance Sheet as at March 31, 2019, and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss, changes in equity 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 Act. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

We have determined that there are no key audit matters to communicate in our report

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report including Annexures to Director's Report, Report on Corporate Governance and Management Discussion Analysis 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

### **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 "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - (c) The balance Sheet, the statement of profit and loss, the statement of changes in equity and the cash flow statement 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
  - (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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 to the financial statements;

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. As required by the Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

**For MSKA & Associates**

**Chartered Accountants**

ICAI Firm Registration No. 105047W

**Anita Somani**

Partner

Membership No. 124118

Place : Mumbai

Date : May 15, 2019

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**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF SANATHNAGAR ENTERPRISES LIMITED FOR THE YEAR ENDED MARCH 31, 2019.**

**Auditor's Responsibilities for the Audit of the 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 Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

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.

**For MSKA & Associates  
Chartered Accountants**

ICAI Firm Registration No. 105047W

**Anita Somani**

Partner

Membership No. 124118

Place : Mumbai

Date : May 15, 2019

**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SANATHNAGAR ENTERPRISES LIMITED FOR THE YEAR ENDED MARCH 31, 2019**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).
- (b) All the fixed assets (Property, Plant and Equipment) have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) The Company does not have any immovable property (in the nature of fixed assets). Accordingly, the provision stated in paragraph 3(i)(c) of the Order is not applicable to the Company.
- ii. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and any other statutory dues applicable to it. However, no undisputed statutory dues were in arrears, as at March 31, 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax, goods and service tax, customs duty, cess and any other statutory dues on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income tax (including interest)	0.26	Assessment Year 2013-14	Commissioner of Income Tax (Appeals)	None
Income Tax Act, 1961	Income tax (including interest)	0.58	Assessment Year 2014-15	Commissioner of Income Tax (Appeals)	None
Income Tax Act, 1961	Penalty	12.77	Assessment Year 2014-15	Commissioner of Income Tax (Appeals)	None
Income Tax Act, 1961	Penalty	0.77	Assessment Year 2015-16	Commissioner of Income Tax (Appeals)	None

- viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix. 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, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.
- x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid / provided for managerial remuneration during the year. Accordingly, the provisions stated in paragraph 3(xi) of the Order are not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based 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 applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. 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. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.
- xv. 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 non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

**For MSKA & Associates**  
**Chartered Accountants**

ICAI Firm Registration No. 105047W

**Anita Somani**

Partner

Membership No.124118

Place : Mumbai

Date : May 15, 2019

**ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SANATHNAGAR ENTERPRISES LIMITED FOR THE YEAR ENDED MARCH 31, 2019**

[Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent 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 with reference to financial statements of Sanathnagar Enterprises Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). 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 Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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. 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 internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

**Meaning of Internal Financial Controls with reference to Financial Statements**

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**For MSKA & Associates  
Chartered Accountants**

ICAI Firm Registration No. 105047W

**Anita Somani**

Partner

Membership No.124118

Place : Mumbai

Date : May 15, 2019



**SANATHNAGAR ENTERPRISES LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2019**

	Notes	As at 31/March/19 ₹ in Lakhs	As at 31/March/18 ₹ in Lakhs
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	4.89	7.26
Non - Current Tax Assets	3	464.76	463.92
Other Non - Current Assets	4	135.61	149.71
<b>Total Non-Current Assets</b>		<b>605.26</b>	<b>620.89</b>
<b>Current Assets</b>			
Inventories	5	98.34	94.41
Financial Assets			
Trade Receivables	6	49.92	73.90
Cash and Cash Equivalents	7	5.48	25.90
Other Current Assets	8	-	14.49
<b>Total Current Assets</b>		<b>153.74</b>	<b>208.70</b>
<b>Total Assets</b>		<b>759.00</b>	<b>829.59</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	9	315.00	315.00
Other Equity			
Retained Earnings	10	(1,534.71)	(1,419.09)
Other Reserves	11	3.76	3.76
<b>Equity attributable to owners of the Company</b>		<b>(1,215.95)</b>	<b>(1,100.33)</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	12	1,592.87	1,344.28
Trade Payables	13		
Due to Micro and Small Enterprises		-	-
Due to Others		72.71	262.04
Other Financial Liabilities	14	271.52	255.04
Other Current Liabilities	15	37.85	68.56
<b>Total Current Liabilities</b>		<b>1,974.95</b>	<b>1,929.92</b>
<b>Total Liabilities</b>		<b>1,974.95</b>	<b>1,929.92</b>
<b>Total Equity and Liabilities</b>		<b>759.00</b>	<b>829.59</b>
<b>Significant Accounting Policies</b>	1		
See accompanying notes to the Financial Statements	1 - 36		

As per our attached Report of even date  
For MSKA & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

Anita Somani  
Partner  
Membership No. 124118

Place : Mumbai  
Date : 15-May-19

For and on behalf of the Board of Directors of  
Sanathnagar Enterprises Limited

Sanjyot Rangnekar  
(Director)  
(DIN : 07128992)

Sumit Jain  
(Chief Financial Officer)

Bhushan Shah  
(Director)  
(DIN : 07484485)

Hitesh Marthak  
(Company Secretary)

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

	Notes	For the Year ended 31/March/19 ₹ in Lakhs	For the Year ended 31/March/18 ₹ in Lakhs
<b>I INCOME</b>			
Revenue From Operations	16	68.10	488.29
Other Income	17	19.06	127.54
<b>Total Income</b>		<b>87.16</b>	<b>615.83</b>
<b>II EXPENSES</b>			
Cost of Projects	18	-	544.53
Employee Benefits Expense	19	15.74	45.12
Finance Costs	20	1.80	6.76
Depreciation and Amortisation Expense	2	2.37	2.60
Other Expenses	21	182.87	164.04
<b>Total Expense</b>		<b>202.78</b>	<b>763.05</b>
<b>III Profit/(Loss) Before Tax (I-II)</b>		<b>(115.62)</b>	<b>(147.22)</b>
<b>IV Tax Expense</b>	22		
Current Tax		-	-
Deferred Tax		-	24.96
<b>Total Tax Expense</b>		<b>-</b>	<b>24.96</b>
<b>V Profit/(Loss) for the year (III-IV)</b>		<b>(115.62)</b>	<b>(172.18)</b>
<b>VI Other Comprehensive Income (OCI)</b>			
<b>A. Items that will not be reclassified to Statement of Profit and Loss</b>			
Remeasurements on Defined Benefit Plans		-	0.13
Income Tax Effect		-	-
		-	0.13
<b>B. Items that will be reclassified to Statement of Profit and Loss</b>			
		-	-
<b>Total Other Comprehensive Income for the year (Net of Tax) (A+B)</b>		<b>-</b>	<b>0.13</b>
<b>VII Total Comprehensive Income for the year (VI + VII)</b>		<b>(115.62)</b>	<b>(172.05)</b>
<b>VIII Earnings per Equity Share (in ₹)</b> (Face value of ₹ 10 per Equity Share)			
Basic	31	(3.67)	(5.46)
Diluted		(3.67)	(5.46)
<b>Significant Accounting Policies</b>	1		
<b>See accompanying notes to the Financial Statements</b>	1 - 36		

As per our attached Report of even date  
For MSKA & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

Anita Somani  
Partner  
Membership No. 124118

Place : Mumbai  
Date : 15-May-19

For and on behalf of the Board of Directors of  
Sanathnagar Enterprises Limited

Sanjyot Rangnekar  
(Director)  
(DIN : 07128992)

Sumit Jain  
(Chief Financial Officer)

Bhushan Shah  
(Director)  
(DIN : 07484485)

Hitesh Marthak  
(Company Secretary)

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2019

	For the Year ended 31/March/19 ₹ in Lakhs	For the Year ended 31/March/18 ₹ in Lakhs
<b>(A) Operating Activities</b>		
<b>Profit/(Loss) Before Tax</b>	(115.62)	(147.22)
<b>Adjustments for:</b>		
Depreciation and Amortisation Expense	2.37	2.60
Gains arising from Fair Valuation of Financial Instruments	-	0.29
Finance Costs	1.80	6.76
Sundry Balances/ Excess Provisions written back (net)	(18.55)	(98.14)
Dividend on Current Investments	-	(5.41)
Working Capital Adjustments:		
Decrease in Trade and Other Receivables	52.57	2,887.38
(Increase)/ Decrease in Inventories	(3.93)	510.74
Decrease in Trade and Other Payables	(183.22)	(519.03)
<b>Cash generated from/(used in) Operating Activities</b>	<b>(264.58)</b>	<b>2,637.97</b>
Income Tax (paid) (net)	(0.83)	(124.05)
<b>Net Cash Flows from / (used in) Operating Activities</b>	<b>(265.41)</b>	<b>2,513.92</b>
<b>(B) Investing Activities</b>		
Sale of Property, Plant and Equipment	-	0.62
Sale of Current Investments	-	225.00
Dividend Received	-	5.41
<b>Net Cash Flows from Investing Activities</b>	<b>-</b>	<b>231.03</b>
<b>(C) Financing Activities</b>		
Finance Costs paid	(3.60)	(904.17)
Proceeds/(Repayment) of borrowings	248.59	(1,961.10)
<b>Net Cash Flows from / (used in) Financing Activities</b>	<b>244.99</b>	<b>(2,865.27)</b>
<b>(D) Net Decrease in Cash and Cash Equivalents (A+B+C) :</b>	<b>(20.42)</b>	<b>(120.32)</b>
Cash and Cash Equivalents at the beginning of the year	25.90	146.22
<b>Cash and Cash Equivalents at end of the year</b>	<b>5.48</b>	<b>25.90</b>
<b>Notes:</b>		
1 Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Act.		
2 Reconciliation of liabilities arising from financing activities under Ind AS 7		
	<b>31/March/19</b>	<b>31/March/18</b>
<b>Borrowings</b>		
Balance at the beginning of the year	1,344.28	3,305.38
Cash flow	248.59	(1,961.10)
Non cash changes	-	-
<b>Balance at the end of the year</b>	<b>1,592.87</b>	<b>1,344.28</b>

As per our attached Report of even date  
For MSKA & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

Anita Somani  
Partner  
Membership No. 124118

Place : Mumbai  
Date : 15-May-19

For and on behalf of the Board of Directors of  
Sanathnagar Enterprises Limited

Sanjyot Rangnekar  
(Director)  
(DIN : 07128992)  
  
Sumit Jain  
(Chief Financial Officer)

Bhushan Shah  
(Director)  
(DIN : 07484485)  
  
Hitesh Marthak  
(Company Secretary)

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

## (A) EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	As at	As at
	31/March/19	31/March/18
Balance at the beginning of the reporting year	315.00	315.00
Changes in Equity Share Capital during the reporting year	-	-
<b>Balance at the end of the reporting year</b>	<b>315.00</b>	<b>315.00</b>

## (B) OTHER EQUITY

₹ in Lakhs

Particulars	Reserves and Surplus		Total
	Capital Reserve	Retained Earnings	
<b>As at 01-April -18</b>	<b>3.76</b>	<b>(1,419.09)</b>	<b>(1,415.33)</b>
Loss for the year	-	(115.62)	(115.62)
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year	-	(115.62)	(115.62)
<b>As at 31-March-19</b>	<b>3.76</b>	<b>(1,534.71)</b>	<b>(1,530.95)</b>

₹ in Lakhs

Particulars	Reserves and Surplus		Total
	Capital Reserve	Retained Earnings	
<b>As at 01-April -17</b>	<b>3.76</b>	<b>(1,247.04)</b>	<b>(1,243.28)</b>
Profit for the year	-	(172.18)	(172.18)
Other Comprehensive Income	-	0.13	0.13
Total Comprehensive Income for the year	-	(172.05)	(172.05)
<b>As at 31-March -18</b>	<b>3.76</b>	<b>(1,419.09)</b>	<b>(1,415.33)</b>

As per our attached Report of even date  
For MSKA & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

Anita Somani  
Partner  
Membership No. 124118

Place : Mumbai  
Date : 15-May-19

For and on behalf of the Board of Directors of  
Sanathnagar Enterprises Limited

Sanjyot Rangnekar  
(Director)  
(DIN : 07128992)

Bhushan Shah  
(Director)  
(DIN : 07484485)

Sumit Jain  
(Chief Financial Officer)

Hitesh Marthak  
(Company Secretary)

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019**

**1 SIGNIFICANT ACCOUNTING POLICIES**

**A Company's Background**

Sanathnagar Enterprises Limited (the Company) is a public limited company domiciled and incorporated in India under the Companies Act, 1956 vide CIN - L99999MH1947PLC252768. The Company's registered office is located at 412 , Floor - 4, 17 G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai - 400001. The Company is primarily engaged in the business of real estate development.

**B Significant Accounting Policies**

**I Basis of Preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakhs except when otherwise indicated.

**II Summary of Significant Accounting Policies**

**1 Current and 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:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle.
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) 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:

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

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019**

The Company classifies all other liabilities as non-current.

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

“The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The operating cycle of the Company’s real estate operations varies from project to project depending on the size of the project, type of development, project complexities and related approvals. Assets and Liabilities are classified into current and non-current based on the operating cycle.”

**2 Property, Plant and Equipment****i. Recognition and measurement**

All property, plant and equipment except freehold land are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisitions of the items. Cost includes freight, duties, taxes, borrowing cost and incidental expenses related to the acquisition and installation of the asset.

**ii. Subsequent costs**

Subsequent expenditure is capitalised only when it is probable that the future economic benefits of the expenditure will flow to the Company. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

**iii. Derecognition**

The carrying amount of an item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, Plant and Equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

**iv. Depreciation**

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as specified in Schedule II of Companies Act, 2013 except for Site/Sales Offices and Sample Flats wherein the estimated useful lives is determined by the management.

Sr. No.	Property, Plant and Equipment	Useful life (Years)
i)	Site/Sales Offices and Sample Flats	8
ii)	Plant and Equipment	15
iii)	Furniture and Fixtures	10
iv)	Office Equipment	5
v)	Computers	
	(a) Servers and networks	6
	(b) End user devices, such as, desktops, laptops, etc.	3

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019**

Depreciation on assets sold during the year is charged to the Statement of Profit and Loss up to the month preceding the month of sale.

**3 Inventories**

Stock of Building Materials and Traded Goods is valued at lower of cost and net realizable value. Cost is ascertained on weighted average basis.

Completed unsold inventory is valued at lower of Cost and Net Realizable Value.

Cost for this purpose includes cost of land, shares with occupancy rights, Transferrable Development Rights, premium for development rights, borrowing costs, construction / development cost and other overheads incidental to the projects undertaken.

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

**4 Provisions and Contingencies**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of 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 disclosure of contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**5 Impairment of Non-Financial Assets (excluding Inventories, Investment Properties and Deferred Tax Assets)**

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest Group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs').

**6 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial Assets**

Initial recognition and measurement

The Company classifies its financial assets in the following measurement categories.

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019**

- those to be measured subsequently at fair value (either through OCI, or through profit or loss)
- those measured at amortised cost

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**Debt instruments at amortised cost**

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment if any, are recognised in the Statement of Profit and Loss.

**Debt instruments at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company does not have any debt instruments which meets the criteria for measuring the debt instrument at FVTOCI.

**Debt instrument at FVTPL**

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.



**NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019**

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'Accounting Mismatch'). The Company has not designated any debt instrument at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes in Fair value recognized in the Statement of Profit and Loss.

**Equity investments**

All equity investments, except investments in fellow subsidiaries and associates are measured at FVTPL. The Company may make an irrevocable election on initial recognition to present in OCI any subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis.

**Derecognition of Financial Assets**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of Financial Assets**

The Company assess on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debts instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk. For trade receivables, the Company is not exposed to any credit risk as the possession of residential and commercial units is handed over to the buyer only after all the installments are recovered.

For financial assets carried at amortised cost, the carrying amount is reduced and the amount of the loss is recognised in the statement of profit and loss. Interest income on such financial assets continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. Financial asset together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Company. If, in a subsequent year, the amount of the estimated

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019**

impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or decreased. If a write-off is later recovered, the recovery is credited to finance costs.

**Financial Liabilities**

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of financial liability not recorded at FVTPL, net of directly attributable transaction costs.

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

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities measured at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

**Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.**

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through Statement of Profit and Loss.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

**Derecognition of Financial Liabilities**

A financial liability is derecognised 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 recognised in the Statement of Profit and Loss.

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

### Reclassification of Financial Assets and Financial Liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Ind AS Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 7 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or-
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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:

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

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019**

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

**8 Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**9 Revenue Recognition**

The Company has adopted Ind AS 115 'Revenue from contracts with customers' ('Ind AS 115') using modified retrospective approach, with effect from 1st April, 2018. Refer Note 34 for the transition related disclosure.

The Company has applied five step model as set out in Ind AS 115 to recognise revenue in the Financial Statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- a. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- b. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- c. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time and over a period of time based on the conditions in the contracts with customers.

The specific revenue recognition criteria are described below:

**(I) Income from Property Development**

The Company has determined that the existing terms of the contract with customers does not meet the criteria to recognise revenue over a period of time. Revenue is recognized at point in time with respect to contracts for sale of residential units as and when the control is passed on to the customers which is linked to the application and receipt of occupancy certificate.

The Company provides rebates to the customers. Rebates are adjusted against customer dues and the revenue to be recognized. To estimate the variable consideration for the expected future rebates the company uses the "most-likely amount" method or "expected value method".

**(II) Contract Balances****Contract Assets**

The Company is entitled to invoice customers for construction of residential and commercial properties based on achieving a series of construction-linked milestones. A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the company performs by transferring goods or services to a customer before the payment is due, a contract asset is recognized for the earned consideration that is conditional. Any receivable which represents the Company's right to the consideration that is unconditional is treated as a trade receivable.

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019**

**Contract Liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

**10 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 profit for the period. The tax rates and tax laws used to compute the amount are those that are enacted by the reporting date and applicable for the period.

**Deferred Tax**

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for all deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amount in financial statements, except when the deferred 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 profits or loss at the time of transaction.

Deferred 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 that have been enacted or substantively enacted at the reporting date.

Deferred tax asset in respect of carry forward of unused tax credits and unused tax losses are recognized 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 tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Company recognizes deferred tax liabilities for all taxable temporary differences except those associated with the investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal tax during the specified period.

**Presentation of Current and Deferred Tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in OCI, in which case, the current and deferred tax income/ expense are recognized in OCI. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

**11 Borrowing Costs**

Borrowing costs that are directly attributable to long term project development activities are inventorised / capitalized as part of project cost.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

**12 Earnings Per Share**

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

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

**2 Property, Plant and Equipment**

Particulars						₹ in Lakhs
	Site / Sales Offices and Sample Flats	Plant and Equipment	Furniture and Fixtures	Office Equipments	Computers	Total
<b>Gross Carrying Amount</b>						
<b>As at 1-April-17</b>	<b>431.79</b>	<b>24.36</b>	<b>16.81</b>	<b>20.07</b>	<b>0.14</b>	<b>493.17</b>
Additions	-	-	-	-	-	-
Disposals / Adjustments	-	(1.02)	-	-	-	-
<b>As at 31-March-18</b>	<b>431.79</b>	<b>23.34</b>	<b>16.81</b>	<b>20.07</b>	<b>0.14</b>	<b>492.15</b>
Additions	-	-	-	-	-	-
Disposals / Adjustments	-	-	-	-	-	-
<b>As at 31-March-19</b>	<b>431.79</b>	<b>23.34</b>	<b>16.81</b>	<b>20.07</b>	<b>0.14</b>	<b>492.15</b>
<b>Depreciation and Impairment</b>						
<b>As at 1-April-17</b>	<b>431.79</b>	<b>18.91</b>	<b>13.40</b>	<b>18.45</b>	<b>0.14</b>	<b>482.69</b>
Depreciation charge for the year	-	0.99	0.88	0.73	-	2.60
Disposals / Adjustments	-	(0.40)	-	-	-	(0.40)
<b>As at 31-March-18</b>	<b>431.79</b>	<b>19.50</b>	<b>14.28</b>	<b>19.18</b>	<b>0.14</b>	<b>484.89</b>
Depreciation charge for the year	-	1.43	0.59	0.35	-	2.37
Disposals / Adjustments	-	-	-	-	-	-
<b>As at 31-March-19</b>	<b>431.79</b>	<b>20.93</b>	<b>14.87</b>	<b>19.53</b>	<b>0.14</b>	<b>487.26</b>
<b>Net Carrying Value</b>						
<b>As at 31-March-19</b>	<b>-</b>	<b>2.41</b>	<b>1.94</b>	<b>0.54</b>	<b>-</b>	<b>4.89</b>
<b>As at 31-March-18</b>	<b>-</b>	<b>3.84</b>	<b>2.53</b>	<b>0.89</b>	<b>-</b>	<b>7.26</b>

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

	As at 31/March/19 ₹ in Lakhs	As at 31/March/18 ₹ in Lakhs
<b>3 Non - Current Tax Assets</b>		
Income Tax Payments (Net of Provisions of Rs.663.56 Lakhs)	464.76	463.92
<b>Total</b>	<b>464.76</b>	<b>463.92</b>
<b>4 Other Non - Current Assets</b>		
Indirect Tax Receivable (Refer note 33)	135.61	149.71
<b>Total</b>	<b>135.61</b>	<b>149.71</b>
<b>5 Inventories</b>		
Building Materials	12.86	8.93
Finished Stock	85.48	85.48
<b>Total</b>	<b>98.34</b>	<b>94.41</b>
<b>6 Trade Receivables (Unsecured)</b>		
Considered Good	49.92	73.90
<b>Total</b>	<b>49.92</b>	<b>73.90</b>
(i) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. No trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.		
(ii) Trade receivables net of advances are settled as per agreed terms.		
<b>7 Cash and Cash Equivalents</b>		
Balances with Banks	5.48	25.90
<b>Total</b>	<b>5.48</b>	<b>25.90</b>
<b>8 Other Current Assets (Unsecured, Considered Good unless otherwise stated)</b>		
Advances/ Deposits to Suppliers and Contractors	-	14.49
<b>Total</b>	<b>-</b>	<b>14.49</b>
<b>9 Equity Share Capital</b>		
<b>A) Authorised Share Capital Numbers</b>		
Balance at the beginning of the year	1,47,00,000	1,47,00,000
Increase/(Decrease) during the year	-	-
<b>Balance at the end of the year</b>	<b>1,47,00,000</b>	<b>1,47,00,000</b>

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

	As at 31/March/19 ₹ in Lakhs	As at 31/March/18 ₹ in Lakhs
<b>Amount</b>		
Balance at the beginning of the year	1,470.00	1,470.00
Increase/(Decrease) during the year	-	-
<b>Balance at the end of the year</b>	<b>1,470.00</b>	<b>1,470.00</b>
	As at 31/March/19 ₹ in Lakhs	As at 31/March/18 ₹ in Lakhs
<b>9.50% Redeemable Cumulative Preference Shares of ₹ 50 each</b>		
<b>Numbers</b>		
Balance at the beginning of the year	7,520	7,520
Increase/(Decrease) during the year	-	-
<b>Balance at the end of the year</b>	<b>7,520</b>	<b>7,520</b>
<b>Amount</b>		
Balance at the beginning of the year	3.76	3.76
Increase/(Decrease) during the year	-	-
<b>Balance at the end of the year</b>	<b>3.76</b>	<b>3.76</b>
<b>Unclassified Shares *</b>		
Balance at the beginning of the year	26.24	26.24
Increase/(Decrease) during the year	-	-
<b>Balance at the end of the year</b>	<b>26.24</b>	<b>26.24</b>

\* Unclassified Shares shall be divided into such number of class or classes and of such denominations as the Company may determine from time to time by Special Resolution.

**B) Issued Equity Capital****Equity Shares of ₹ 10 each issued, Subscribed and fully paid up****Numbers**

Balance at the beginning of the year	31,50,000	31,50,000
Increase/(Decrease) during the year	-	-
<b>Balance at the end of the year</b>	<b>31,50,000</b>	<b>31,50,000</b>

**C) Terms/ rights attached to Equity Shares**

The Company has only one class of equity shares having par value of ₹ 10 per share.



NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

	As at 31/March/19 ₹ in Lakhs	As at 31/March/18 ₹ in Lakhs
<p>Each Shareholder is entitled for one vote per share. The Shareholders have the right to receive interim dividends declared by the Board of Directors and final dividend proposed by the Board of Directors and approved by the Shareholders.</p> <p>In the event of liquidation, the shareholders will be entitled in proportion to the number of equity shares held by them to receive remaining assets of the Company, after distribution of all preferential amounts.</p>		
<b>D) Shares held by Holding Company</b>		
Siddhnath Residential Paradise Pvt. Ltd.		
Numbers	22,88,988	28,34,528
Amount	228.90	283.45
Others		
Numbers	8,61,012	3,15,472
Amount	86.10	31.55
<b>E) Details of Shareholders holding more than 5% shares in the Company</b>		
Siddhnath Residential Paradise Pvt. Ltd.		
<b>Numbers</b>	22,88,988	28,34,528
% of Holding	72.67%	89.99%
<b>F) There are no shares issued for consideration other than cash during the period of five years.</b>		
<b>10 Retained Earnings</b>		
Balance at the beginning of the year	(1,419.09)	(1,247.04)
Decrease during the year	(115.62)	(172.05)
<b>Balance at the end of the year</b>	<b>(1,534.71)</b>	<b>(1,419.09)</b>
<b>11 Other Reserves</b>		
<b>Capital Redemption Reserve</b>		
Balance at the beginning of the year	3.76	3.76
Increase/(Decrease) during the year	-	-
<b>Balance at the end of the year</b>	<b>3.76</b>	<b>3.76</b>
	3.76	

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

	As at 31/March/19 ₹ in Lakhs	As at 31/March/18 ₹ in Lakhs
<b>12 Current Borrowings</b>		
<b>Unsecured :</b>		
Loans/ Inter Corporate Deposits from Related Parties (Refer note 26)	1,592.87	1,344.28
<b>Total</b>	<b>1,592.87</b>	<b>1,344.28</b>
<b>13 Current Trade Payables</b>		
Due to Micro and Small Enterprises	-	-
Due to Others	72.71	262.04
<b>Total</b>	<b>72.71</b>	<b>262.04</b>
<b>Terms and conditions:</b>		
i) Trade payables are non-interest bearing and are normally settled as per agreed terms.		
ii) For terms and conditions with related parties, refer Note 26.		
<b>14 Other Current Financial Liabilities</b>		
Advances Received from Customers	50.00	-
Payable to Society	211.55	243.38
Interest accrued but not due	-	1.80
Payable on Cancellation of Allotted units	9.97	9.86
<b>Total</b>	<b>271.52</b>	<b>255.04</b>
<b>15 Other Current Liabilities</b>		
Duties and Taxes	1.52	9.29
Other Liabilities	36.33	59.27
<b>Total</b>	<b>37.85</b>	<b>68.56</b>
	For the Year ended 31/March/19 ₹ in Lakhs	For the Year ended 31/March/18 ₹ in Lakhs
<b>16 Revenue From Operations</b>		
Income From Property Development	-	487.44
Sale of Surplus Land	65.00	-
Other Operating Revenue	3.10	0.85
<b>Total</b>	<b>68.10</b>	<b>488.29</b>
<b>17 Other Income</b>		
Interest Income on Customers' Overdues	0.35	-
Dividend Income on Current Investments	-	5.41
Sundry Balances / Excess Provision Written Back (Net)	18.55	98.14
Miscellaneous Income	0.16	23.99
<b>Total</b>	<b>19.06</b>	<b>127.54</b>

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

	For the Year ended 31/March/19 ₹ in Lakhs	For the Year ended 31/March/18 ₹ in Lakhs
<b>18 Cost of Projects</b>		
Opening Stock		
Finished Units	85.48	594.50
Add: Expenditure during the year :		
Land, Construction and Development Cost	-	32.31
Consumption of Building Materials	-	0.54
Other Construction Expenses	-	5.46
	<b>85.48</b>	<b>632.81</b>
Less: Others	-	(2.80)
	<b>85.48</b>	<b>630.01</b>
Less: Closing Stock		
Finished Units	(85.48)	(85.48)
	<b>(85.48)</b>	<b>(85.48)</b>
<b>Total</b>	<b>-</b>	<b>544.53</b>
<b>19 Employee Benefits Expense</b>		
Salaries and Wages*	15.74	42.71
Contribution to Provident and Other Funds	-	0.71
Staff Welfare	-	1.70
<b>Total</b>	<b>15.74</b>	<b>45.12</b>
*Salaries and Wages of ₹ 15.74 Lakhs (31-March-18 ₹42.71 Lakhs) reimbursable to Holding Company and fellow subsidiary respectively.		
<b>20 Finance Costs</b>		
Interest Expense on Borrowings and others	1.80	6.76
<b>Total</b>	<b>1.80</b>	<b>6.76</b>
<b>21 Other Expenses</b>		
Rates and Taxes	62.45	14.50
Printing and Stationery	3.68	0.32
Legal and Professional	62.11	9.24
Payment to Auditors as:		
Audit Fees	3.00	2.50
Taxation Matters	0.25	0.50
Other Services	0.25	1.00
Business Promotion	5.29	21.15
Brokerage and Commission	-	32.11
Compensation	3.20	47.95
Office Expenses	33.02	28.13
Miscellaneous Expenses	9.62	6.63
<b>Total</b>	<b>182.87</b>	<b>164.04</b>

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

## 22 Tax Expense:

- a. The major components of Income Tax Expense For the Year ended 31-March-19 and 31-March-18 is as follows

	For the Year ended 31/March/19 ₹ in Lakhs	For the Year ended 31/March/18 ₹ in Lakhs
<b>1 Income Tax recognized in the Statement of Profit and Loss</b>		
<b>Current Income Tax Expense/ (Benefit):</b>		
Current Income Tax charge	-	-
Adjustments in respect of current Income Tax of previous year	-	-
<b>Total</b>	-	-
<b>Deferred Tax Expense/ (Benefit):</b>		
Origination and reversal of Temporary Differences	-	24.96
Adjustments in respect of deferred Tax of previous year	-	-
<b>Total</b>	-	<b>24.96</b>
<b>Income Tax Expense reported in the Statement of Profit or Loss</b>	-	<b>24.96</b>

- b. Reconciliation of Tax Expense and the Accounting Profit before tax multiplied by applicable India Domestic Tax Rate for the year is as under:

	For the Year ended 31/March/19 ₹ in Lakhs	For the Year ended 31/March/18 ₹ in Lakhs
<b>Accounting Profit before Income Tax</b>	(115.62)	(147.22)
<b>Income tax expense calculated at corporate tax rate</b>	40.01	50.95
<b>Tax effect of adjustment to reconcile expected income tax expense to reported</b>		
Income Tax expense:		
<b>Non-deductible expenses for tax purposes:</b>		
Other non-deductible expenses	-	(25.99)
Permanent differences	(40.01)	-
Adjustments in respect of current Income Tax of previous year	-	-
<b>Total</b>	-	<b>24.96</b>

- c. The major components of Deferred Tax Assets arising on account of temporary differences are as follows:

	Profit and loss	
	For the Year ended 31/March/19 ₹ in Lakhs	For the Year ended 31/March/18 ₹ in Lakhs
Accelerated depreciation for tax purposes	-	-
Expenses allowable but not charged to Statement of Profit and Loss	-	-
Capital Gain on conversion of Investments to Stock-in-Trade	-	-
Others	-	(24.96)
<b>Deferred Tax Expense</b>	-	<b>(24.96)</b>

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

## d. Reconciliation of Deferred Tax Assets/(Liabilities) (Net) :

	Balance sheet	
	As at 31/March/19 ₹ in Lakhs	As at 31/March/18 ₹ in Lakhs
<b>Opening balance</b>	-	<b>24.96</b>
Tax Income/(Expense) during the year recognised in Statement of Profit and Loss	-	(24.96)
Tax income/(expense) during the year recognised in OCI	-	-
<b>Closing balance</b>	-	-

## 23 Category wise classification of Financial Instruments

	As at 31/March/19 ₹ in Lakhs	As at 31/March/18 ₹ in Lakhs
<b>Financial Assets carried at Amortised Cost</b>		
Trade Receivables	49.92	73.90
Cash and Cash Equivalents	5.48	25.90
	<b>55.40</b>	<b>99.80</b>
<b>Financial Liabilities carried at Amortised Cost</b>		
Borrowings	1,592.87	1,344.28
Trade Payables	72.71	262.04
Other Financial Liabilities	271.52	255.04
	<b>1,937.10</b>	<b>1,861.36</b>

## 24 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

**Judgements, Estimates and Assumptions**

The Company makes certain judgement, estimates and assumptions regarding the future. Actual experience may differ from these judgements, estimates and assumptions. The estimates and assumptions that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

**(i) Useful Life of Property, Plant and Equipments**

The Company determines the estimated useful life of its Property, Plant and Equipments for calculating depreciation. The estimate is determined after considering the expected usage of the assets or physical wear and tear. The Company periodically reviews the estimated useful life and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

**(ii) Income Taxes**

Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

**(iii) Fair Value Measurement of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

**(iv) Going Concern**

The Company is in the business of real estate construction and development primarily. During the year ended 31-March- 2019, the Company has used cash in operations amounting to ₹ 265.41 Lakhs and as at 31-March-2019, the Company has negative net worth of Rs. 1,219.71 Lakhs. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern.

The Company has secured continued financial support letter from its Holding company to meet its day to day cash requirements and settle liability, if any arises. Basis this, management of the Company believes that risk of material uncertainty has been significantly reduced and the Company shall be able to continue for a foreseeable future. Accordingly, these financial results have been prepared using the going concern basis.

**25 Commitments and contingencies****A. Contingent liabilities**

Claims against the company not acknowledged as debts	As at 31/March/19 ₹ in lakhs	As at 31/March/18 ₹ in lakhs
Disputed Taxation Matters	0.84	25.41
<b>Total</b>	<b>0.84</b>	<b>25.41</b>

The Company has assessed that it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

- B.** Penalties under section 271D and 271E of the Income Tax Act, 1961 have been levied by the Income Tax Department for various Assessment years. Penalties levied by the department on similar facts have been deleted by the Appellate authorities (CIT(A) & ITAT) in various matters of the Group Companies on the basis of the decision of the Hon'ble Bombay High Court in the case of CIT vs Triumph International Finance (India) Limited. The appeals preferred by the Income tax Department in some group company cases have also been dismissed by the Hon'ble Bombay High Court upholding that the penalty should not be levied. On further appeal in few cases, the appeal filed by Income Tax Department before the Hon'ble Supreme Court have been dismissed. Consequently provision for the same is not considered necessary by the management.

**26 Related party transactions**

Information on Related Party Transactions as required by IND-AS 24 'Related Party Disclosure'.

**A. List of other related parties:  
(As identified by the management), unless otherwise stated**

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

**I Person having Control or joint control or significant influence**

1 Mangal Prabhat Lodha (MPL) Person in Control

2 Abhishek Lodha Son

**II Close family members of person having Control**

Manjula Lodha Wife

Vinti Lodha Son's wife

**III Ultimate Holding Company**

1 Sambhavnath Infrabuild and Farms Pvt. Ltd.

**IV Holding Company**

1 Lodha Developers Ltd. (Holding Company of SRPPL)

2 Siddhnath Residential Paradise Pvt. Ltd. (SRPPL)

**VI Subsidiaries of Holding Company (with whom the Company had transactions)**

1 Cowtown Software Design Pvt. Ltd. (formerly known as Nabhiraja Software Design Pvt. Ltd.)

2 Palava Dwellers Pvt. Ltd.

**VII Others**

Bellissimo Healthy Constructions and Developers Pvt. Ltd.

**VIII Key Management Personnel**

1 Vishal Ghadigaonkar (CFO) upto 30-Oct-18

2 Sumit Jain (CFO) w.e.f. 30-Oct-18

3 Hitesh Marthak (Company Secretary)

4 Maninder Chhabra (Manager)

5 Purnima Pavle (Director)

6 Vinod Shah (Director)

7 Bhushan Shah (Director)

**(i) Outstanding Balances:**

₹ in Lakhs

Sr. No.	Nature of Transactions	As on	Holding Company/ Subsidiaries/ Fellow Subsidiaries
1	Loans taken	31/March/19	1,592.87
		31/March/18	1,344.28
2	Trade Payables	31/March/19	2.57
		31/March/18	20.02
3	Interest Accrued but not due on borrowings	31/March/19	-
		31/March/18	1.80

**(ii) Disclosure in respect of transactions with parties:**

₹ in Lakhs

Sr No	Nature of Transactions	Particulars	Relationship	For the Year ended	
				31/March/19	31/March/18
1	Interest Expense	Cowtown Software Design Pvt. Ltd.	Subsidiary of Holding Company	-	2.00
2	Reimbursement Given	Cowtown Software Design Pvt. Ltd.	Subsidiary of Holding Company	-	1.98
3	Loans/ Advances Taken/ (returned)(Net)	Lodha Developers Ltd.	Holding Company	(1,343.14)	(1,961.10)

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

Sr No	Nature of Transactions	Particulars	Relationship	For the Year ended	
				31/March/19	31/March/18
		Bellissimo Healthy Constructions and Developers Pvt. Ltd.	Others	(1.14)	
		Palava Dwellers Pvt. Ltd.	Subsidiary of Holding Company	1,592.87	-
4	Salaries and Wages	Lodha Developers Ltd.	Subsidiary of Holding Company	16.98	19.47

**i) Terms and conditions of transaction with related parties**

The management is of the opinion that the transactions with related parties are done at arm's length.

**ii) Terms and conditions of outstanding balances with related parties****a) Payable to related parties**

The payables to related parties arise mainly from purchase transactions and services received and are paid as per agreed terms.

**b) Loans to related parties**

The loans taken from related parties are unsecured, repayable on demand and are interest free.

**27 Segment information**

For management purposes, the Company has only one reportable segments namely, Development of real estate property. The Board of Directors of the Company acts as the Chief Operating Decision Maker ("CODM"). The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

**28 Financial Instrument measured at Amortised Cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**29 Financial risk management objectives and policies**

The Company's principal financial liabilities comprise mainly of borrowings, trade 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 and advances, trade and other receivables, cash and cash equivalents and Other balances with Bank.

The Company is exposed through its operations to the following financial risks:

- Market risk
- Credit risk, and
- Liquidity risk.

The Company has evolved a risk mitigation framework to identify, assess and mitigate financial risk in order to minimize potential adverse effects on the company's financial performance. There have been no substantive changes in the company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated herein.



NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

(a) **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 three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

(i) **Interest rate risk**

The Company is exposed to cash flow interest rate risk from long-term borrowings at variable rate. Currently the company has external borrowings (excluding short-term overdraft facilities) which are fixed and floating rate borrowings. The Company achieves the optimum interest rate profile by refinancing when the interest rates go down. However this does not protect Company entirely from the risk of paying rates in excess of current market rates nor eliminates fully cash flow risk associated with variability in interest payments, it considers that it achieves an appropriate balance of exposure to these risks.

b) **Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Company's customer base, including the default risk of the industry and country, in which customers operate, has less influence on the credit risk.

c) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company ensures that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
<b>As at 31-March-19</b>						
Borrowings	1,592.87	-	-	-	-	1,592.87
Trade Payables	-	72.71	-	-	-	72.71
Other Financial Liabilities	-	50.00	9.97	211.55	-	271.52
	<b>1,592.86</b>	<b>122.71</b>	<b>9.97</b>	<b>211.55</b>	-	<b>1,937.10</b>
<b>As at 31-March-18</b>						
Borrowings	1,344.28	-	-	-	-	1,344.28
Trade Payables	-	262.04	-	-	-	262.04
Other Financial Liabilities	-	-	15.90	239.14	-	255.04
	<b>1,344.28</b>	<b>262.04</b>	<b>15.90</b>	<b>239.14</b>	-	<b>1,861.36</b>

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019

**30 Details of CSR Expenditure**

The gross amount required to be spent for CSR activity by the company during the year was ₹ 25.13 lakhs (31-March-18 ₹ 26.40 Lakhs). Amount spent during the year was ₹ Nil (31-March-18 ₹ Nil).

**31 Basic and Diluted Earnings Per Share:**

		For the Year ended 31/March/19	For the Year ended 31/March/18
(a) Net Profit/ (Loss) for the year	₹ in Lakhs	(115.62)	(172.18)
(b) No. of Equity Shares as at beginning of the year		31,50,000	31,50,000
Add: Shares Allotted		-	-
No. of Equity Shares as at end of the year		31,50,000	31,50,000
Weighted Average number of Equity Shares outstanding during the year		31,50,000	31,50,000
(c) Face Value of Equity Shares	(₹)	10	10
(d) Basic and Diluted Earnings Per Share	(₹)	(3.67)	(5.47)

**32 Details of dues to Micro, Small and Medium Enterprises :**

There are no dues outstanding to Micro, Small and Medium Enterprises as at the Balance Sheet date.

**33** The Company is in the process of identifying suitable business operation which will ensure appropriate utilization of Indirect Tax credit as mentioned in Note 4. Further, the Company has assessed that there is no time barrier for utilization/ recoverability of Indirect Tax Credit under the law. Accordingly no Provision / write off of part or full balance of input tax credit is considered necessary by the Company.

**34** The existing Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable) has been replaced by Ind AS 115 – 'Revenue from contracts with customers'. Ind AS 115 is mandatory for reporting period beginning on or after 01-April-2018. The Company has opted to adopt Ind AS 115 using modified retrospective method. The application of Ind AS 115 does not have any impact on the retained earnings as on 01-April-2018, being the initial date of application of Ind AS 115. Further, the application of Ind AS 115 also does not have any impact on the financial position of the Company as of March 31, 2019 and statement of Profit and Loss and cash flow for the year then ended.

**35 Standards (including amendments) issued but not yet effective**

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

**(a) Ind AS 116- Leases**

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 116, Leases. This Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective of the standard is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. The effective date for adoption of Ind AS 116 is financial periods beginning on or after April 1, 2019. The Company is currently evaluating the requirements of amendments. The Company believe that the adoption of this amendment will not have a material effect on its financial statements.

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2019**

**(b) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives..

**(c) Amendment to Ind AS 12 – Income taxes**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

**(d) Amendment to Ind AS 23 – Borrowing cost**

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

**36** Previous Year's figures are regrouped/rearranged wherever considered necessary.

**As per our attached Report of even date  
For MSKA & Associates  
Chartered Accountants  
Firm Registration Number: 105047W**

**Anita Somani  
Partner  
Membership No. 124118**

**Place : Mumbai  
Date : 15-May-19**

**For and on behalf of the Board of Directors of  
Sanathnagar Enterprises Limited**

**Sanjyot Rangnekar  
(Director)  
(DIN : 07128992)**

**Sumit Jain  
(Chief Financial Officer)**

**Bhushan Shah  
(Director)  
(DIN : 07484485)**

**Hitesh Marthak  
(Company Secretary)**

**SANATHNAGAR ENTERPRISES LIMITED**

Regd Office : 412, Floor- 4, 17G Vardhaman Chambers, Cawasji Patel Road, Horniman Circle, Fort, Mumbai-400001  
CIN: L99999MH1947PLC252768 E-Mail : investors.sel@lodhagroup.com  
Website : www.sanathnagar.in  
Phone No.: +91 22 61959674 Fax No.: +9122-23024550

**PROXY FORM**

**[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

Name of the Member(s) :  
Registered address :  
E-mail Id :  
Folio No. /Client Id & DP. Id :

I / We, being the member(s) of ..... shares of the above named Company, hereby appoint

- 1. Name..... E-mail ID.....  
Address.....  
Signature.....or failing him
- 2. Name..... E-mail ID.....  
Address.....  
Signature .....or failing him
- 3. Name..... E-mail ID.....  
Address.....  
Signature.....or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 72nd Annual General Meeting of the Company to be held on Tuesday, September 24, 2019 at 11.00 A.M. at 8th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai 400 011 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	For*	Against*
1.	Adoption of Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon.		
2.	Appointment of Mr. Mayank Jain (DIN: 08478113) as a Director		
3.	Appointment of Ms. Sanjyot Rangnekar (DIN: 07128992) as a Director		
4.	Appointment of Mr. Martin Godard as Manager of the Company		

Signed this.....day of .....2019

Signature of shareholder(s) :

Signature of Proxy holder(s) :

**Notes:**

- 1. This form of proxy in order to be effective should be duly completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- 2. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Seventy Second Annual General Meeting.
- 3. This is only optional. Please put a '√' in the appropriate column against the resolutions in the Box. If you leave 'For' or 'Against' column blank against any or all the resolutions, your Proxy be entitled to vote in the manner as he/she thinks appropriate
- 4. Kindly affix revenue stamp of not less than Re. 1 on the proxy form before depositing at the registered office.

**SANATHNAGAR ENTERPRISES LIMITED**

Regd Office : 412, Floor- 4, 17G Vardhaman Chambers, Cawasji Patel Road, Horniman Circle, Fort, Mumbai-400001  
CIN: L99999MH1947PLC252768 E-Mail : investors.sel@lodhagroup.com  
Website : www.sanathnagar.in  
Phone No.: +91 22 61959674 Fax No.: +9122-23024550

**ATTENDANCE SLIP**

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE REGISTRATION COUNTER**

- 1. Name of the Member / Proxy :
- 2. Folio No. / Client Id & DP. Id :
- 3. Number of Shares held :

I hereby record my presence at the 72nd ANNUAL GENERAL MEETING of the Company held on Tuesday, September 24, 2019 at 11:00 a.m. at 8th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai 400 011.

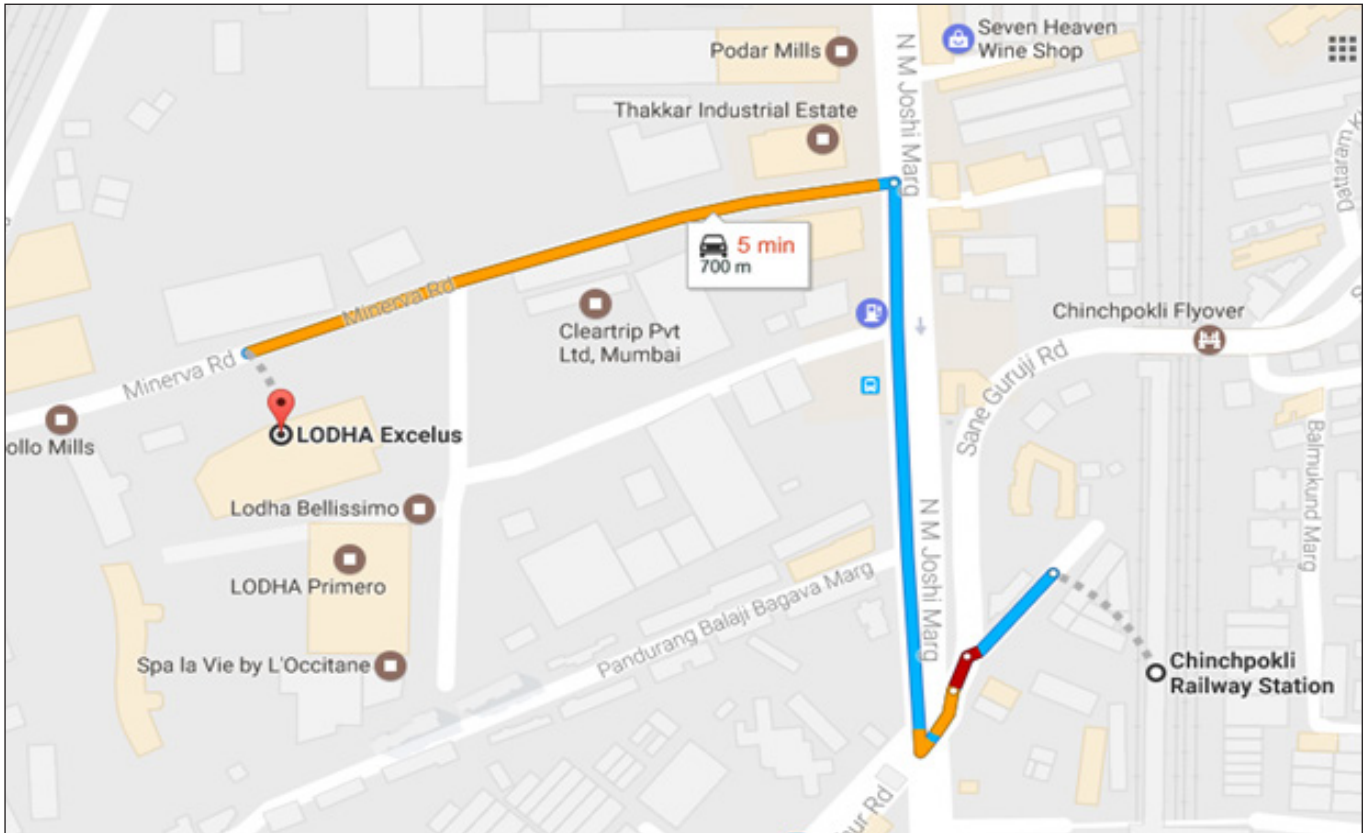
Name of the member / Proxy

Signature of the member / Proxy

- 1 Only Member/Proxy holder can attend the meeting.
- 2 Member / Proxy holder should bring his/her copy of the Annual Report for reference at the meeting.

## ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING

Address : 8th floor Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai 400 011  
Landmark : Apollo Mills Compound











*if undelivered, please return to:*

The Secretarial Department  
**SANATHNAGAR ENTERPRISES LIMITED**  
412, Floor- 4, 17G Vardhaman Chamber,  
Cawasji patel Road, Horniman Circle,  
Fort, Mumbai- 400001

# SANATHNAGAR ENTERPRISES LIMITED

Lodha Excelus, N.M Joshi Marg, Mahalaxmi, Mumbai 400 011, India

Name of the Company: **Sanathnagar Enterprises Limited**

Security Code	Type of Security & paid up value	Book Closure From	To	Record Date	Purpose
509423	Equity Shares Rs. 10 paid-up per share	<b>From</b> Wednesday September 18, 2019	<b>To</b> Tuesday September 24, 2019  (both the days inclusive)	N. A.	For the purpose of Annual General Meeting.

Yours faithfully,

**For Sanathnagar Enterprises Limited**



**Hitesh Marthak**  
**Company Secretary**  
**Membership No.: A18203**



Encl.: as above.

Copy to: a. National Securities Depository Limited, Mumbai  
b. Central Depository Services (India) Limited, Mumbai  
c. CIL Securities Limited

**SANATHNAGAR ENTERPRISES LIMITED**

**Registered Office:** 412, Floor-4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai 400001

**CIN:** L99999MH1947PLC252768

**Website:** www.sanathnagar.in • **E-mail:** investors.sel@lodhagroup.com • **Phone:** +9122-23024400

• **Fax:** +9122-23024550

**BALLOT FORM**

Serial No.

1. Name(s) of Member(s) including Joint holders, if any	
2. Registered Address of the Sole/First named Member	
3. Registered Folio No./DPID and Client ID No.	
4. No. of equity shares held	

I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of the 72nd Annual General Meeting (AGM) of the Company to be held on Tuesday, September 24, 2019 by recording my/our assent or dissent to the said Resolutions by placing tick (√) mark in the appropriate box(es) below:

Item No.	Resolutions	For	Against	No. of shares
	ORDINARY BUSINESS – ORDINARY RESOLUTIONS			
1	To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon			
	SPECIAL BUSINESS – ORDINARY RESOLUTIONS			
2	Appointment of Mr. Mayank Jain (DIN 08478113) as a Director			
3	Appointment of Ms. Sanjyot Rangnekar (DIN 07128992) as a Director			
4	Appointment of Mr. Martin Godard, as a Manager of the Company			

Place:

Date: \_\_\_\_\_, 2019

Signature of Member

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EVEN (Electronic Voting Event Number)	User ID	Password
111522		

- Please see instruction relating to remote e-voting
- Please use your existing password

## EVOTING

### General Information on voting through electronic means/Ballot:

- In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and sub clause (1) & (2) of Clause 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is offering e-Voting facilities to its Members in respect of the business to be transacted at the 72nd Annual General Meeting. The Company has engaged the services of National Securities Depository Limited (NSDL) as authorized agency to provide the e-Voting facility. It is clarified that it is not mandatory for a Member to vote using remote e-Voting facility. In order to facilitate those Members, who do not wish to use the remote e-Voting facility, the Company is enclosing the Ballot Form. Resolutions passed by Members through remote e-Voting or ballot forms are deemed to have been passed as if they have been passed at the Annual General Meeting (AGM) of the Company.
- The facility for Voting shall also be made available at the venue of the AGM for those Members who have not cast their votes earlier.
- The Members who have cast their votes by remote e-Voting or by Ballot Form prior to the AGM may also attend the Meeting but they shall not be entitled to cast their vote again.
- Members can opt for only one mode of voting i.e. either by remote e-Voting or by Ballot Form. In case Members cast their votes through both the modes, voting done by e-Voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
- In case a Member is desirous of obtaining a duplicate Ballot Form, he/she may send an e-mail to [www.sanathnagar.in](mailto:www.sanathnagar.in) by mentioning their Folio No./DP ID and Client ID No. The duly completed Ballot Form should reach the Scrutinizer, Shrawan A. Gupta, Practicing Company Secretary, A-102, 1st Floor, Suryakiran CHS, Near HDFC Bank, Chamunda Circle, SVP Road, MTNL Lane, Borivali (W), Mumbai 400 092, not later than Monday, September 23, 2019 (5.00 p.m. IST). Ballot Forms received after this date will be treated as invalid.
- The remote e-Voting period will commence on Friday, September 20, 2019 (9.00 a.m. IST) and will end on Monday, September 23, 2019 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, September 17, 2019, may cast their votes by remote e-voting. The remote e-Voting module will be disabled by NSDL for voting thereafter. The voting rights of Members shall be in proportion to the paid up equity share capital of the Company as on the cut-off date i.e. Tuesday, September 17, 2019.
- Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to vote. If a person was a Member on the dates of the Book Closure (Wednesday, September 18, 2019 to Tuesday, September 24, 2019, both days inclusive) but has ceased to be a Member on the cut-off date i.e. Tuesday, September 17, 2019, he/she will not be entitled to vote. Such person should treat this Notice for information purposes only.
- Mr. Shrawan A. Gupta, Practicing Company Secretary, has been appointed as the Scrutinizer for overseeing the physical voting and remote e-Voting process in a fair and transparent manner.
- The Scrutinizer shall submit his report to the Chairman. The results declared along with the report of the Scrutinizer will be placed on the website of the Company [www.sanathnagar.in](http://www.sanathnagar.in) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of result by the Chairman or a person authorized by him in this behalf. The results will also be uploaded on the BSE Listing Portal.
- Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Annual General Meeting i.e. September 24, 2019.

### Procedure for e-Voting as prescribed by NSDL:

#### For Members whose e-mail addresses are registered with the Company/Depositories:

Open the e-mail received from NSDL and follow instructions mentioned therein to cast your vote.

#### For Members whose e-mail addresses are not registered with the Company/Depositories:

Members will receive a Ballot Form along with the Annual Report. They have two options:

- To opt for voting by Physical Ballot: Those Members who choose to cast their vote by a physical ballot or who do not have access to e-Voting facility, should fill in the Ballot form and post it to the Company OR
- To opt for remote e-voting: Follow the steps mentioned herein below, to cast your votes.

#### How to vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

#### Step 1: How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholders" section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***42*****

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example, if folio number is A00001 and EVEN is 111522 then user ID is 111522A00001

5. Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to log-in and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the "initial password" which was communicated to you. Once you retrieve your "initial password" you need to enter the "initial password" and the system will force you to change your password.
  - How to retrieve your "initial password"?
    - If your email ID is registered in your demat account or with the Company, your "initial password" is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your "User ID" and your "initial password".
    - If your email ID is not registered, your "initial password" is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL), option is available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - Click on "Physical User Reset Password?" (If you are holding shares in physical mode), option is available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by the aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/ folio number, PAN, name and registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

#### Details on Step 2 are given below:

#### How to cast your vote electronically on NSDL e-Voting system?

- After successful log-in at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- After clicking on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- Select "EVEN" of the Company.
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to " [www.sanathnagar.in](mailto:www.sanathnagar.in)" with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)  
Members may also send their queries relating to e-Voting to Ms. Pallavi Mhatre of NSDL, at E-mail id: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call Toll free No.: 1800-222-990 / Tel. No.: 022-2499 4545.

#### Additional Information:

- The Members are requested to update their mobile numbers and e-mail ID's in the user profile details of the folio, which may be used by the Company for sending future communication(s) to them.
- Any person, who acquires shares of the Company and becomes a Member of the Company after despatch of the Notice and holding shares as of the cut-off date i.e. Tuesday, September 17, 2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) However, if the Member is already registered with NSDL for remote e-voting, then he/she can use his/her existing User-ID and Password for casting the votes.