



INDEPENDENT AUDITOR'S REPORT

To the Members of
Northland Holding Company Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of **Northland Holding Company Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in equity and the Statement of Cash Flows for the year then ended on that date, 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 Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other ~~accounting principles~~ generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 29A of the Statement, which describes that the potential impact of COVID-19 pandemic on the financial results of the Company are dependent on future developments, which remain uncertain.

Our opinion is not modified in respect of this matter.

Management's Responsibility for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on



whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financials results of the firm to express an opinion on the financial results.

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

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 relationship and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by 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 Cash flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian accounting standards) Rules, 2015.
- e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and



- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '**Annexure B**' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

for **MSSV & Co.**

Chartered Accountants

Firm Registration Number: 001987S


Shiv Shankar T R

Partner



Membership No. 220517

UDIN : 20220517 AAAAEF5722

Place: Bengaluru

Date: June 08, 2020

“ANNEXURE A” TO INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date

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

We have audited the internal financial controls over financial reporting with respect to financial statements of **Northland Holding Company Private Limited** (“the Company”) as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting with respect to financial statements 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’]. 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 over financial reporting with respect to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and 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 adequate internal financial controls over financial reporting with respect 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 adequacy of the internal financial controls system over financial reporting with respect to financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with respect 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 over financial reporting with respect 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with respect 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting with respect 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 and according to information and explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with respect to financial statements and such internal financial controls over financial reporting were operating effectively as at 31 March 2020 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

for **MSSV & Co**

Chartered Accountants

Firm Registration Number: 001987S


Shiv Shankar T R
Partner



Membership No: 220517

UDIN: 20220517AAAAEF5722

Place: Bengaluru

Date: June 08, 2020

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT**Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date**

Based upon the information and explanations furnished to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

- i. In respect of fixed assets :
 - a. The Company has maintained records showing full particulars, including quantitative details and situation of fixed assets.
 - b. Fixed assets are physically verified every year. In our opinion and according to information and explanations given to us, having regard to the size of the Company and the nature of fixed assets, the periodicity of physical verification is reasonable. Pursuant to the policy, fixed assets were physically verified during the year and no material discrepancies were noticed on such verification.
 - c. According to the information and explanation given to us and on basis of our examination of the records of the company, the title deeds of all immovable properties of land and building are held in the name of the Company as at the balance sheet date.
- ii. In respect of inventory :
 - a. Physical verification of inventory has been conducted at reasonable interval by the management.
 - b. In our opinion and according to information and explanations given to us, no material discrepancies have been noticed on such verification.
- iii. During the year covered by our audit, Company has not granted any loan to any person covered under the register maintained under section 189 of the Companies Act, 2013. Hence, commenting on paragraph 3(iii) of the Order does not arise.



- iv. In our opinion and according to information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of loans granted, investments made, guarantees and securities provided during the financial year.
- v. According to information and explanation given to us, the company has not accepted any deposits from the public during the year. Hence, commenting on paragraph 3(v) of the Order does not arise.
- vi. According to the information and explanations given to us, having regard to the Company's nature of business, maintenance of cost records under sub section (1) of section 148 of the Act has not been prescribed to the Company. Hence, commenting on paragraph 3(vi) of the Order does not arise.
- vii. In respect of statutory dues:
- a. According to the information and explanations given to us and on the basis of our examination of records of the company, no undisputed statutory dues including Sales Tax, Service tax, Goods and Service Tax, Cess and other material statutory dues applicable to it have been regularly deposited during the year by the Company with the appropriate authorities. The Company did not have any dues on account of Provident Fund, Employees' State Insurance, Duty of Customs and Duty of Excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of Sales-tax, Service tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except the following :

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which amount relates	Remarks
Income-tax Act, 1961	Income tax (TDS)	17,78,850/-	FY 2010-11 TO FY 2019-20	Interest on late payment u/s 201, late filing fees u/s 234E



				and Interest u/s 220(2)
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The Company did not have any dues on account of Provident Fund, Employees' State Insurance, Duty of Customs and Duty of Excise.

- b. According to the information and explanations given to us, there are no dues of Income Tax, Sales tax, Service tax, Duty of Customs and Value added tax which have not been deposited on account of any dispute.
- viii. Based on our audit procedures performed and according to information and explanations given by the management, the Company has not defaulted in repayment of loans and borrowings to a financial institution, banks, government or dues to debenture holders.
- ix. In our opinion and according to the information and explanations given to us, the Company has utilized the monies raised by way of term loans (representing loans with a repayment period beyond 36 months) for the purposes for which those were raised, other than temporary deployment pending application of proceeds. The Company has not raised any monies by way of initial public offer or further public offer.
- x. To the best of our knowledge and according to information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees have been noticed or reported during the year.
- 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 any managerial remuneration. Hence, commenting on paragraph 3(xi) of the Order does not arise.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Hence, commenting on of paragraph 3(xii) of the Order does not arise.



- xiii. According to information given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act, where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards. The Company is a wholly owned subsidiary of the public limited company and hence section 177 of the Act is not applicable to the Company.
- xiv. According to information 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. Hence, commenting on paragraph 3(xiv) of the Order does not arise.
- xv. According to information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence, commenting on of paragraph 3(xv) of the Order does not arise.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

for **MSSV & Co**

Chartered Accountants

Firm Registration Number: 001987S


Shiv Shankar T R
Partner



Membership No: 220517

UDIN: 20220517AAAAEF5722

Place: Bengaluru

Date: June 08, 2020

NORTHLAND HOLDING COMPANY PRIVATE LIMITED
PRESTIGE FALCON TOWER, NO.19, BRUNTON ROAD, BANGALORE - 560025
CIN : U45202KA2009PTC049345
BALANCE SHEET AS AT 31 MARCH 2020

Rs. in hundred

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
I. ASSETS			
Non Current assets			
Property, plant and equipment	4	1,22,40,744.20	28,66,090.13
Capital work in progress		1,72,54,355.83	1,32,70,924.30
Other intangible assets	5	6,818.77	8,523.47
Other Non current Assets	6	7,85,662.44	5,18,158.51
Deferred Tax Asset		-	1,35,848.02
		3,02,87,581.24	1,67,99,544.43
Current assets			
Inventories	23	54,286.61	58,778.02
Financial asset			
i. Trade receivables	7	3,45,123.13	1,38,114.52
ii. Cash and cash equivalents	8	1,00,738.51	1,21,237.08
Other Current Assets	10	52,870.54	36,895.47
Income Tax Assets(net)		-	75,926.47
		5,53,018.79	4,30,951.56
TOTAL ASSETS		3,08,40,600.02	1,72,30,495.99
II. EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	11	3,00,000.00	3,00,000.00
Other Equity	12	1,43,54,624.13	69,80,640.42
		1,46,54,624.13	72,80,640.42
LIABILITIES			
Non-Current Liabilities			
Borrowings	13	50,01,706.56	-
Financial Liabilities			
i. Other financial liabilities	14	3,44,604.28	64,890.18
Provisions	15	1,23,800.81	95,790.75
Deferred Tax Liabilities		1,72,032.21	-
		56,43,949.85	1,60,686.93
Current liabilities			
Financial Liabilities			
i. Borrowings	16	64,03,820.59	56,97,153.68
ii. Trade Payables	17	1,53,349.66	1,74,766.88
ii. Other financial liabilities	18	27,99,900.19	25,59,266.27
Other current liabilities	19	11,67,406.35	13,54,207.10
Income Tax Liabilities (Net)	9	10,692.10	-
Provisions	20	6,857.15	3,774.71
		1,05,42,026.04	97,89,168.64
TOTAL LIABILITIES		3,08,40,600.02	1,72,30,495.99

See accompanying notes to the Financial Statements
As per our report of even date

for **MSSV & Co.**

Chartered Accountants

Firm Registration No.0019875


Shiv Shankar T.R.
Partner
Membership No.220517



For and on behalf of the Board


Faiz Rezwan
Director
DIN : 01217423


Uzma Irfan
Director
DIN : 01216604

Place: Bengaluru
Date: 08 June,2020

Place: Bengaluru
Date: 08 June,2020

Place: Bengaluru
Date: 08 June,2020

NORTHLAND HOLDING COMPANY PRIVATE LIMITED
 PRESTIGE FALCON TOWER, NO.19, BRUNTON ROAD, BANGALORE - 560025
 CIN : U45202KA2009PTC049345
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

Rs. in hundred			
Particulars	Note No.	Year ended 31 March 2020	Year ended 31 March 2019
Income			
Revenue from operations	21	25,44,961.75	24,58,467.64
Other income	22	94,95,601.11	21,855.94
Total Revenue - (I)		1,20,40,562.86	24,80,323.58
Expenses			
Cost of sales	23	11,95,034.38	8,93,288.72
Employee Benefit Expense	24	15,14,164.29	11,95,089.83
Finance costs	25	36,553.74	215.57
Depreciation and amortization	4 & 5	3,66,889.91	43,685.14
Other expenses	26	2,47,876.55	2,46,461.35
Total Expenses - (II)		33,60,518.87	23,78,740.61
Profit / (Loss) before tax (III = I - II)		86,80,043.99	1,01,582.97
Tax expense:			
Current tax		9,86,773.62	-
Deferred Tax		3,07,880.23	(9,659.36)
Total Tax expense (IV)		12,94,653.85	(9,659.36)
Profit / (Loss) for the year (V = III - IV)		73,85,390.14	1,11,242.33
Other comprehensive income			
Items that may be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss		-	-
Remeasurements of post- Employment benefit obligations (net of tax)		(11,406.43)	(21,436.12)
Other Comprehensive income for the year, net of tax (VI)		(11,406.43)	(21,436.12)
Total Comprehensive Income (VII = V + VI)		73,73,983.71	89,806.21
Earnings per Equity Share(equity shares, par value Rs 10 each) (in Rs.)	34		
- Basic		245.80	2.99
- Diluted		184.35	2.25

See accompanying notes to the Financial Statements

As per our report of even date

for MSSV & Co.

Chartered Accountants

Firm Registration No.0019875


 Shiv Shankar T.R.
 Partner
 Membership No.220517

Place: Bengaluru
 Date: 08 June,2020

For and on behalf of the Board


 Faiz Rezwan
 Director
 DIN : 01217423

Place: Bengaluru
 Date: 08 June,2020


 Uzma Irfan
 Director
 DIN : 01216604

Place: Bengaluru
 Date: 08 June,2020

NORTHLAND HOLDING COMPANY PRIVATE LIMITED
PRESTIGE FALCON TOWER, NO.19, BRUNTON ROAD, BANGALORE - 560025
CIN : U45202KA2009PTC049345

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

	Rs. in hundred	
Particulars	Year Ended 31 March, 2020	Year Ended 31 March, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss before taxation	86,80,043.99	1,01,582.97
Adjustments for non-cash & non-operating items:		
Depreciation and amortisation	3,66,889.91	43,685.14
Finance cost	36,553.74	215.57
Gratuity Other Comprehensive Income/(Loss)	(11,406.43)	(21,436.12)
Profit on sale of Property, Plant and Equipment	(94,13,234.75)	-
Operating profit before working capital changes	(3,41,153.54)	1,24,047.56
Adjustments for		
Increase / (Decrease) in Current Liabilities	(1,86,800.75)	(2,12,016.72)
Increase / (Decrease) in Trade Payables	(21,417.22)	36,176.01
Increase / (Decrease) in Long-term/Short-term Provisions	32,892.50	49,123.86
Increase / (Decrease) in other non-current liabilities	2,79,714.10	32,833.46
Increase / (Decrease) in other financial liabilities	2,40,633.92	3,50,464.98
(Increase) / Decrease in Inventories	4,491.41	(2,247.77)
(Increase) / Decrease in Trade receivables	(2,07,008.61)	(38,550.88)
(Increase) / Decrease in Short-term/Long-term Loans & Advances	(2,83,479.00)	1,10,863.36
Cash generated from operations	(4,82,127.20)	4,50,693.86
Income tax refund / (payment) - Net	(9,00,155.05)	(27,082.12)
Net Cash generated from operating activities - A	(13,82,282.25)	4,23,611.74
CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure incurred on Capital Work-in-progress	(39,83,431.53)	(17,01,237.95)
Purchase of fixed assets	(1,03,27,999.74)	(1,02,835.94)
Sale of fixed assets	1,00,01,398.31	-
Adjustment for borrowing cost capitalised	5,80,579.18	3,94,318.89
Net Cash generated from / used in Investing Activities -B	(37,29,453.79)	(14,09,755.00)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/ (Repayment of) borrowings	50,01,706.56	(86,34,000.00)
Proceeds from ICD	40,31,000.00	-
Repayment of ICD	(33,25,000.00)	-
Issue of Optionally convertible debentures	-	1,00,00,000.00
Increase/(Decrease) in overdrawn balances from banks	666.91	8,620.20
Finance costs	(6,17,132.92)	(3,94,534.46)
Net Cash generated from / used in Financing Activities -C	50,91,240.55	9,80,085.74
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(20,498.57)	(6,057.53)
Cash & Cash equivalents opening balance	1,21,237.08	1,27,294.61
Cash & Cash equivalents closing balance (Refer Note 8)	1,00,738.51	1,21,237.08

See accompanying notes to the Financial Statements

As per our report of even date

for MSSV & Co.

Chartered Accountants

Firm Registration No.0019875

Shiv Shankar T.R

Partner

Membership No.220517



For and on behalf of the Board

Faiz Rezwan

Director

DIN : 01217423

Uzma Irfan

Director

DIN : 01216604

Place: Bengaluru

Date: 08 June,2020

Place: Bengaluru

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Place: Bengaluru

Date: 08 June,2020

NORTHLAND HOLDING COMPANY PRIVATE LIMITED
PRESTIGE FALCON TOWER, NO.19, BRUNTON ROAD, BANGALORE - 560025
CIN : U45202KA2009PTC049345

STATEMENT OF CHANGES IN EQUITY

Rs. in hundred

Particulars	Equity share capital	Other equity		Total equity
		Optionally Convertible Debentures	Retained Earnings	
As at April 1, 2018	3,00,000.00	-	(31,09,165.79)	(28,09,165.79)
Profit/(Loss) for the year	-	-	1,11,242.33	1,11,242.33
Other Comprehensive Income / (Loss) for the year, net of income tax	-	-	(21,436.12)	(21,436.12)
Issued during the year	-	1,00,00,000.00	-	1,00,00,000.00
As at 31 March 2019	3,00,000.00	1,00,00,000.00	(30,19,359.58)	72,80,640.42
Profit/(Loss) for the year	-	-	73,85,390.14	73,85,390.14
Other Comprehensive Income / (Loss) for the year, net of income tax	-	-	(11,406.43)	(11,406.43)
Issued during the year	-	-	-	-
As at 31 March 2020	3,00,000.00	1,00,00,000.00	43,54,624.13	1,46,54,624.13

See accompanying notes to the Financial Statements

As per our report of even date

For MSSV & Co

Chartered Accountants

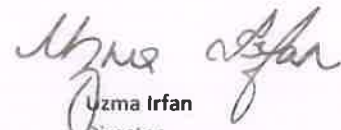
Firm Registration No.0019875


Shiv Shankar T.R.
Partner
Membership No.220517



For and on behalf of the Board


Faiz Rezwan
Director
DIN : 01217422


Uzma Irfan
Director
DIN : 01216604

Place: Bengaluru
Date: 08 June,2020

Place: Bengaluru
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Place: Bengaluru
Date: 08 June,2020

NORTHLAND HOLDING COMPANY PRIVATE LIMITED
PRESTIGE FALCON TOWER, NO.19, BRUNTON ROAD, BANGALORE - 560025
CIN : U45202KA2009PTC049345
NOTES FORMING PART OF FINANCIAL STATEMENTS

1 Corporate Information

M/s. Northland Holding Company Private Limited ("the Company") was incorporated on March 12, 2009 as a private limited company under the Companies Act 1956 ("the Act"). The registered office of the company is situated at "The Falcon House, No. 1, Main Guard Cross Road, Bangalore-560 001". The Company is engaged in the business of real estate development and golf services.

The Company is a private limited company incorporated and domiciled in India and has its registered office at Bangalore, Karnataka, India.

The financial statements are approved for issue by the Company's Board of Directors on 08 June, 2020

2 Significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Act") (to the extent notified). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules, 2016.

2.2 Basis of preparation and presentation

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.3 Changes in accounting policies and disclosures

The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year, except items disclosed below.

Transition to Ind AS 116

The Ministry of Corporate Affairs (MCA) notified Ind AS 116, the new leases accounting standard, which come into force on 1 April 2019. AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning from 1 April 2019 and applied the standard to its lease on 1 April 2019. Accordingly, the comparative information has not been restated and hence not comparable with previous year figures. The effect of adopting Ind AS 116 as at 1 April 2019 is described in Note 29

2.4 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities), income and expenses and accompanying disclosures. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.5 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.



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In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.6 Revenue Recognition

The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS').

Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Whereas application of Ind AS 115 has no impact on existing revenue recognition policy followed by entity

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

a. Recognition of Revenue:

The revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the goods or services received cannot be measured reliably, the revenue is measured at the fair value of the goods or services given up, adjusted by the amount of any cash or cash equivalents transferred.

b. Recognition of Revenue from rental and allied services:

Facility and hire charges, property maintenance income and other related services are recognised on accrual basis as per the terms and conditions of relevant agreements.

The Company's policy for recognition of revenue from operating leases is described in note 3.9 below.

c. Recognition of Revenue from hospitality services:

Revenues from the room rentals during a guest's stay at the hotel is recognised based on occupation and revenue from sale of food and beverages and other allied services, as the services are rendered.

Membership fee is recognised on a straight line basis over the period of membership.

d. Interest income

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method except for interest on delayed payment by customers are accounted on receipt basis.

2.7 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is or contains, a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

a. The Company as lessor

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises right-of-use assets and lease liabilities at the lease commencement date. The right-of-use assets is initially measured at cost which includes the initial amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The lease liabilities is initially measured at the present value of lease payments to be made over the lease term, discounted using the Company's incremental borrowing rate. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss



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The Company applies the short-term lease recognition exemption to its short-term leases of assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

b. The Company as lessee

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The lease liabilities is initially measured at the present value of lease payments to be made over the lease term, discounted using the Company's incremental borrowing rate. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss

The Company applies the short-term lease recognition exemption to its short-term leases of assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

2.8 Borrowing Cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset, is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

A qualifying asset is an asset that necessarily takes a 12 months or more to get ready for its intended use or sale and includes the real estate properties developed by the Company.

2.9 Foreign Currency Transactions

All transactions in foreign currency are recorded on the basis of the exchange rate prevailing as on the date of transaction. The difference, if any, on actual payment / realisation is recorded to the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currency are restated at rates prevailing at the year-end. The net loss or gain arising out of such conversion is dealt with in the Statement of Profit and Loss.

2.10 Employee Benefits

Employee benefits include provident fund and employee state insurance scheme, gratuity and compensated absences.

a. Short-term obligations

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

b. Other Long-term employee benefit obligations

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.



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The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

c. Post-employment obligations

The Company operates the following post-employment schemes:

i. Defined Contribution Plan:

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made. The Company has no further payment obligations once the contributions have been paid.

ii. Defined Benefit Plan:

The liability or assets recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the employee benefit expenses in the statement of profit or loss.

Remeasurement gains and loss arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

2.11 Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

a. Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

b. Deferred tax

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



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Current tax and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

c. Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the entity.

2.12 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition and installation, including interest on borrowing for the project / property, plant and equipments up to the date the asset is put to use. Any cost incurred relating to settlement of claims regarding titles to the properties is accounted for and capitalised as incurred.

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

Depreciation method, estimated useful lives and residual values

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on property, plant and equipments is provided using written-down value method over the useful lives of assets estimated by the Management. The Management estimates the useful lives for the fixed assets as follows:

Particulars	As at	As at
	31 March 2020	31 March 2019
Building *	58 Years	58 Years
Plant and machinery *	20 Years	20 Years
Office Equipment*	20 Years	20 Years
Furniture and fixtures *	15 Years	15 Years
Vehicles*	10 Years	10 Years
Computer and Accessories*	5 Years	5 Years

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in statement of profit and loss.

In respect of leasehold improvement plant & machinery and leasehold improvement furniture & fixtures, depreciation has been provided over lower of lease period or useful lives.

2.13 Capital work-in-progress

Projects under which tangible assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

Depreciation is not provided on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

2.14 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirement for cost model.



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Investment properties are depreciated using written-down value method over the useful lives. Investment properties generally have a useful life of 58-60 years. The useful life has been determined based on internal assessment and independent technical evaluation carried out by external valuers, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit and loss in the period in which the property is derecognised.

2.15 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets, comprising of software are amortized on the basis of written down value method over a period of 6 years, which is estimated to be the useful life of the asset.

2.16 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.17 Inventories

Stock of units in completed projects and work-in-progress are valued at lower of cost and net realisable value. Cost is aggregate of land cost, materials, contract works, direct expenses, provisions and apportioned borrowing costs and is net of material's scrap receipts.

Inventory also comprises stock of food and beverages and operating supplies and is carried at the lower of cost and net realisable value. Cost includes all expenses incurred in bringing the goods to the point of sale and is determined on a Weighted Average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

2.18 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.



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2.19 Financial Instruments

a Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

b Subsequent measurement

i. Non-derivative financial instruments

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Investments in Subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are carried at cost in the financial statements.

ii. Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognized as a deduction from equity, net of any tax effects.

c Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

d Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit and loss.



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2.20 Operating cycle and basis of classification of assets and liabilities

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non current classification of assets and liabilities.

2.21 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.22 Earnings per share

Basic earnings per share has been computed by dividing net income by the weighted average number of shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

2.23 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

3 Recent accounting pronouncements

Since there were no standard issued but not effective as at the financial statements issue date, the disclosure is not applicable.



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4. Property, Plant and Equipment

	Rs. in hundred					
Particulars	Land	Plant & Machinery*	Building & Improvements	Computers	Furniture & Fixtures	Vehicles
Gross block						
As at 1 April 2018	26,50,218.93	1,78,345.89	-	10,198.51	18,527.52	42,069.32
Additions	-	6,965.94	-	1,650.00	-	85,000.00
Adjustments/Deletions	-	-	-	-	-	-
As at 31 March 2019	26,50,218.93	1,85,311.83	-	11,848.51	18,527.52	1,27,069.32
Additions	-	3,16,781.76	1,00,00,000.00	2,042.00	-	9,175.98
Adjustments/Deletions	5,87,503.89	-	-	-	-	7,562.97
As at 31 March 2020	20,62,715.04	5,02,093.59	1,00,00,000.00	13,890.51	18,527.52	1,28,682.33
Accumulated Depreciation						
As at 1 April 2018	-	52,367.57	-	6,466.95	8,103.50	16,959.37
Charge for the period	-	18,059.17	-	1,983.98	1,881.58	21,063.88
Deletion	-	-	-	-	-	-
As at 31 March 2019	-	70,426.73	-	8,450.93	9,985.07	38,023.25
Charge for the period	-	88,733.28	2,48,633.88	1,550.96	1,546.18	24,720.91
Deletion	-	-	-	-	-	6,906.40
As at 31 March 2020	-	1,59,160.01	2,48,633.88	10,001.89	11,531.26	55,837.76
Net Block :						
As at 31 March 2019	26,50,218.93	1,14,885.10	-	3,397.58	8,542.45	89,046.07
As at 31 March 2020	20,62,715.04	3,42,933.58	97,51,366.12	3,888.62	6,996.26	72,844.57

* Includes Right to Use Assets. (Refer Note No. 29)

5. Intangible Assets

Particulars	Computer Software	Total
As at 1 April 2018	-	-
Additions	9,220.00	9,220.00
Adjustments/Deletions	-	-
As at 31 March 2019	9,220.00	9,220.00
Additions	-	-
Adjustments/Deletions	-	-
As at 31 March 2020	9,220.00	9,220.00
Accumulated Depreciation		
As at 1 April 2018	-	-
Charge for the Period	696.53	696.53
Deletion	-	-
As at 31 March 2019	696.53	696.53
Charge for the Period	1,704.69	1,704.69
Deletion	-	-
As at 31 March 2020	2,401.23	2,401.23
Net Block		
As at 31 March 2019	8,523.47	8,523.47
As at 31 March 2020	6,818.77	6,818.77



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6 Other Non current Assets

Particulars	Rs. in hundred	
	As at 31 March 2020	As at 31 March 2019
Capital advances	7,70,321.77	5,07,489.71
Security deposits	15,340.67	10,668.80
	7,85,662.44	5,18,158.51

7 Trade receivables

Particulars	Rs. in hundred	
	As at 31 March 2020	As at 31 March 2019
Other receivables(unsecured, considered good)	3,45,123.13	1,38,114.52
	3,45,123.13	1,38,114.52

8 Cash and cash equivalents

Particulars	Rs. in hundred	
	As at 31 March 2020	As at 31 March 2019
a) Cash on hand	1,008.02	2,340.27
a) Balances with banks - in current accounts	99,730.49	1,18,896.81
	1,00,738.51	1,21,237.08

9 Income tax asset/liability (Net)

Particulars	Rs. in hundred	
	As at 31 March 2020	As at 31 March 2019
Advance income-tax/ (Provision for income tax)	9,76,081.52	75,926.47
Less: Provision for Income tax	(9,86,773.62)	-
	(10,692.10)	75,926.47

10 Other current assets

Particulars	Rs. in hundred	
	As at 31 March 2020	As at 31 March 2019
Advances to staff	1,208.12	798.89
Prepaid expenses	12,303.16	10,552.20
Other advances	39,359.25	25,544.38
	52,870.54	36,895.47

11 Equity Share Capital

Particulars	Rs. in hundred	
	As at 31 March 2020	As at 31 March 2019
Authorised capital 30,00,000 (P.Y. 30,00,000) equity shares of Rs 10 each	3,00,000.00	3,00,000.00
Issued, subscribed and paid up capital 30,00,000 (P.Y. 30,00,000)	3,00,000.00	3,00,000.00
	3,00,000.00	3,00,000.00



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a Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2020	As at 31 March 2019
Equity Shares		
At the beginning of the year	30,00,000	30,00,000
Shares issued during the year	-	-
Outstanding at the end of the year	30,00,000.00	30,00,000

b List of persons holding more than 5 percent shares in the Company

Name of the share holder	As at 31 March 2020		As at 31 March 2019	
	No of shares	% holding	No of shares	% holding
Prestige Hospitality Ventures Limited	30,00,000.00	100.00%	30,00,000.00	100.00%
	30,00,000.00	100.00%	30,00,000.00	100.00%

During the five years, there are no equity shares allotted pursuant to contract(s) without payment being received in cash.

c Rights, Preferences and Restrictions on equity shares :

The Company has only one class of equity shares with voting rights having par value of Rs. 10 each. The rights, preferences and restrictions attached to such equity shares is in accordance with the terms of issue of equity shares under the Companies Act, 2013 and the Articles of Association of the Company.

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

d There have been no buy back of shares, issue of shares by way of bonus shares or issue of shares pursuant to contract without payment being received in cash for the period of five years immediately preceding the balance sheet date.

12 Other Equity

Particulars	As at 31 March 2020	Rs. in hundred As at 31 March 2019
Deficit in Statement of Profit and Loss		
Opening balance	(30,19,359.58)	(31,09,165.79)
Add: Net profit/ (loss) for the year/period	73,73,983.71	89,806.21
	43,54,624.13	(30,19,359.58)
Equity component of compound financial instrument		
10,00,00,000 0% Optionally Convertible Debentures of Rs. 10 each	1,00,00,000.00	1,00,00,000.00
	1,00,00,000.00	1,00,00,000.00
	1,43,54,624.13	69,80,640.42

12A Terms of Optionally Convertible Debentures

(i) These debentures are held by ultimate holding company, Prestige Estates Projects Limited.

(ii) The terms of the issue of CCD's which are currently applicable are as follows:

No. of Debentures	Date of Issue	Conversion/Redemption Date
10,00,00,000	02.07.018	01.07.2038

(iii) 10,00,00,000 0% Optionally Convertible Debentures ("OCD") of Rs. 10 each

(a) 100 OCD of Rs. 10 each are convertible at the option of the holder into one Equity Share of Rs. 10/-

(b) If remaining unconverted, these OCD are redeemable within 20 years from the date of allotment.



NOTES FORMING PART OF FINANCIAL STATEMENTS

13 Borrowings

Particulars	Rs. in hundred	
	As at 31 March 2020	As at 31 March 2019
Long term borrowings	50,00,000.00	-
Vehicle Loan	1,706.56	-
	50,01,706.56	-

13a Details of securities and repayment terms

(i) Security Details :

1. Exclusive charge by way of equitable mortgage over underlying land & Building.
2. Exclusive charge over movable assets pertaining to the Marriott project.

(ii) Repayment and other terms :

1. Repayable in 44 instalments.
2. These loans are subject to interest rates of "MCLR-1Y + 1%" for first 5 years and "MCLR-1Y + 1.45%" from 6th Year

14 Other financial liabilities - Non current

Particulars	Rs. in hundred	
	As at 31 March 2020	As at 31 March 2019
Lease deposits	1,800.00	1,800.00
Lease Liabilities - Right To Use	2,01,157.78	-
Retention creditors	1,41,646.50	63,090.18
	3,44,604.28	64,890.18

15 Long term Provisions

Particulars	Rs. in hundred	
	As at 31 March 2020	As at 31 March 2019
Provision for gratuity	76,323.19	55,736.19
Provision for compensated absences	49,283.62	40,060.56
	1,25,606.81	95,796.75

16 Current Borrowings

Particulars	Rs. in hundred	
	As at 31 March 2020	As at 31 March 2019
Inter Corporate Deposits from related parties(unsecured, repayable on demand)	63,94,533.48	56,88,533.48
Overdrawn bank balances	9,287.11	8,620.20
	64,03,820.59	56,97,153.68

- a. Unsecured loans consists of loan of amount Rs.22,42,03,503/- which is subject to interest rate of 0% per annum (Previous Year 0%) and loan of amount Rs.41,52,49,845 which is subject to interest rate of 10% per annum (Previous Year 10%)
- b. There are no continuing defaults in repayment of principal and interest existing as on the balance sheet date.

17 Trade Payables

Particulars	Rs. in hundred	
	As at 31 March 2020	As at 31 March 2019
Due to: Accountants, Small and medium enterprises	1,53,349.66	1,74,766.88
Others	1,53,349.66	1,74,766.88



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18 Other financial liabilities - Current

Particulars	Rs. in hundred	
	As at 31 March 2020	As at 31 March 2019
Current maturities of long term debt	4,784.56	-
Interest accrued but not due on borrowings	27,29,769.79	25,59,266.27
Lease Liability- Right To Use	65,345.84	-
	27,99,900.19	25,59,266.27

19 Other current liabilities

Particulars	Rs. in hundred	
	As at 31 March 2020	As at 31 March 2019
From others		
Advance received from customers	4,37,723.51	3,73,827.90
Withholdings taxes and duties payable	75,817.81	1,28,849.04
Capital creditors	2,88,852.20	6,30,289.05
Other payables	3,65,012.82	2,21,241.11
	11,67,406.35	13,54,207.10

20 Short term Provisions

Particulars	Rs. in hundred	
	As at 31 March 2020	As at 31 March 2019
Provision for compensated absences	6,857.15	3,774.71
	6,857.15	3,774.71

21 Revenue from Operations

Particulars	Rs. in hundred	
	Year ended 31 March 2020	Year ended 31 March 2019
<u>Sale of services:</u>		
Golf services	6,92,887.58	6,12,152.51
Membership fees	2,74,706.47	2,03,949.78
Villa maintenance & rental	7,60,409.51	7,59,155.14
Facility services	15,568.37	32,768.34
Tournament sponsorship fees	-	71,383.82
	17,43,571.94	16,79,409.59
<u>Sale of goods:</u>		
Golf	10,868.73	37,545.44
Restaurant	7,90,521.09	7,41,512.61
	8,01,389.82	7,79,058.05
	25,44,961.75	24,58,467.64

22 Other Income

Particulars	Rs. in hundred	
	Year ended 31 March 2020	Year ended 31 March 2019
Provision no longer required written back	27,929.09	-
Profit on sale of fixed assets	94,13,234.75	-
Foreign exchange gain	1,013.47	-
Accidental and miscellaneous income	53,423.79	21,855.94
	94,95,601.11	21,855.94



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23 Cost of Sales

Particulars	Rs. in hundred	
	Year ended 31 March 2020	Year ended 31 March 2019
Opening Stock	58,778.02	56,530.25
Add: Purchases and other operating expenses	11,90,542.97	8,95,536.49
Less: Closing Stock	(54,286.61)	(58,778.02)
	11,95,034.38	8,93,288.72

24 Employee Benefit Expense

Particulars	Rs. in hundred	
	Year ended 31 March 2020	Year ended 31 March 2019
Salaries and wages	12,15,831.95	9,68,945.61
Contribution to provident fund	1,02,565.17	77,784.13
Contribution to ESIC	24,986.04	25,279.44
Staff welfare expenses	84,955.50	76,126.89
Leave encashment	50,335.80	22,696.15
Gratuity expense	35,489.83	24,257.61
	15,14,164.29	11,95,089.83

25 Finance Costs

Particulars	Rs. in hundred	
	Year ended 31 March 2020	Year ended 31 March 2019
Interest on borrowings	5,80,579.18	3,94,318.89
Interest on TDS default	816.53	-
Interest - Others	35,737.21	215.57
	6,17,132.92	3,94,534.46
Less: Borrowing cost capitalised to capital work-in-progress	(5,80,579.18)	(3,94,318.89)
	36,553.74	315.57

26 Other Expenses

Particulars	Rs. in hundred	
	Year ended 31 March 2020	Year ended 31 March 2019
Insurance	6,238.12	8,033.81
Rates and taxes	18,624.50	29,258.42
Legal and professional	1,724.03	2,446.52
Auditors' remuneration (Note 26A)	2,312.50	1,850.00
Bank charges & credit card commission	25,173.78	20,330.98
Business promotion	60,816.81	36,791.23
General & administrative expenses	33,697.09	29,919.60
Telephone expenses	9,146.71	6,736.62
Rent	6,960.00	29,000.00
Repairs & maintenance :		
i. Computers	3,054.70	4,220.51
ii. Vehicles	6,625.94	5,596.65
iii. Golf course management fees	73,502.37	72,277.01
	2,47,876.55	2,46,461.35

26A Auditors' remuneration

Particulars	Rs. in hundred	
	Year ended 31 March 2020	Year ended 31 March 2019
Statutory audit	1,250.00	1,000.00
Tax audit	500.00	400.00
Accounting Review	562.50	450.00
	2,312.50	1,850.00

The Company avails input credit for indirect tax and hence no tax expense is accrued.



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27 Tax expenses

Income tax recognised in profit or loss

Particulars	Rs. in hundred	
	Year ended 31 March 2020	Year ended 31 March 2019
Current tax		
In respect of the current year	9,86,773.62	-
In respect of prior years	-	-
	<u>9,86,773.62</u>	<u>-</u>
Deferred tax		
In respect of the current year	3,07,880.23	(9,659.36)
	<u>3,07,880.23</u>	<u>(9,659.36)</u>
	<u>12,94,653.85</u>	<u>(9,659.36)</u>

b Reconciliation of tax expense and accounting profit

Particulars	Rs. in hundred	
	Year ended 31 March 2020	Year ended 31 March 2019
Profit before tax from continuing operations	86,80,043.99	1,01,582.97
Tax rate	25.17%	26.00%
Income tax expense calculated at applicable tax rate	21,84,593.47	26,411.57
Effect of expenses that are not deductible in determining taxable profit	(1,042.59)	24,909.16
Rate Difference	(8,88,897.03)	-
Tax effect on account of temporary differences	-	(1,773.23)
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	-	(59,206.87)
Income tax expense recognised in profit or loss	<u>12,94,653.85</u>	<u>(9,659.36)</u>

28 Contingent liabilities

Particulars	Rs. in hundred	
	As at 31 March 2020	As at 31 March 2019
Contingent liabilities		
Claims against the Company not acknowledged as debts		
Corporate guarantee given on behalf of companies under the same management	7,50,00,000.00	4,50,00,000.00
Capital commitment		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	69,93,398.44	78,03,458.81

29 Operating Lease arrangements

The company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective method prescribed in para C8(b)(ii) to ongoing leases as on April 01, 2019. Accordingly, the comparatives have not been restated and hence not comparable with previous year figures.



NOTES FORMING PART OF FINANCIAL STATEMENTS

B Movement of carrying amounts of lease liabilities and right-of-use assets.

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Rs. in hundred
	As at 31 March 2020
Adoption of Ind AS 116 Leases - As at 01 April 2019	
Add: Additions during the	3,14,843.76
Add: Accretion of interest	35,179.85
Less: Payments	(83,520.00)
Closing balance - As at 31 March 2020	<u><u>2,66,503.61</u></u>

Movement of right to use asset is detailed in Note 5

As a lessee

The company has taken equipments under operating lease

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Rental expense for operating leases included in the Statement of Profit and Loss		29,000
Depreciation expense of right-of-use assets	72,656	-
Interest expense on lease liabilities	35,180	-
Expense relating to short-term leases (included in rental expense)	6,960	-

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Non-cancellable operating lease commitments:		
Rental Payments		
Not later than 1 year	94,020	-
Later than 1 year and not later than 5 years	2,31,630	-
Later than 5 years		-

29 Fair values

None of the financial assets are measured at fair values.

The fair value of the financial assets and liabilities will approximate to its carrying amounts.

29A The company is actively monitoring the impact of the global health pandemic on its financial condition, liquidity, operations, suppliers, industry and workforce. The Company has used the principles of prudence in applying judgments, estimates and assumptions based on the current estimates. In assessing the recoverability of assets such as inventories, financial assets and other assets, based on current indicators of future economic conditions, the Company expects to recover the carrying amounts of its assets. The extent of which COVID-19 impacts the operations will depend on future developments which remain uncertain.

30 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the acquisition and Company's realstate operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.



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A The effect of adoption Ind AS 116 is, as follows:

Impact on balance sheet (increase/(decrease))

Particulars	Rs. in hundred	
	As at 01 April 2019	As at 31 March 2020
Assets		
Right To use asset	3,14,843.76	2,42,187.51
Total	3,14,843.76	2,42,187.51
Liabilities		
Right to use asset - Lease	3,14,843.76	2,66,503.61
Deffered Tax Liability		(6,119.88)
Total	3,14,843.76	2,60,383.73

Impact on statement of profit and loss for the year ended March 31, 2020, had the previous Ind AS was followed:

Particulars	31 March 2020 (as reported)	Increase/ (decrease)	Rs. in hundred
			31 March 2020 (without Ind As 116 impact)
Income			
Revenue from operations	25,44,961.75	-	25,44,961.75
Other income	94,95,601.11	-	94,95,601.11
Total Revenue - (I)	1,20,40,562.86	-	1,20,40,562.86
Expenses			
Cost of sales	11,95,034.38		11,95,034.38
Employee Benefit Expense	15,14,164.29		15,14,164.29
Finance costs	50,553.74	(55,119.88)	1,313.89
Depreciation and amortization	3,66,889.91	(72,656.25)	2,94,233.66
Other expenses	2,47,876.55	83,520.00	3,31,396.55
Total Expenses - (II)	33,60,518.87	(24,316.10)	33,36,202.77
Profit / (Loss) before tax (III = I - II)	86,80,043.99	24,316.10	87,04,360.09
Tax expense:			
Current tax	9,86,773.62		9,86,773.62
Deferred Tax	3,07,880.23	6,119.88	3,14,000.11
Total Tax expense (IV)	12,94,653.85	6,119.88	13,00,773.73
Profit / (Loss) for the year (V)	73,85,390.14	18,196.23	74,03,586.37

In the statement of profit and loss for the current year, the nature of expenses in respect of operating leases has changed from lease rent to depreciation cost on Right to use assets and finance cost for interest accrued on Right to use asset - Lease liability.



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Market risk

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

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The company has sourced its fund requirements from Inter Corporate Deposits with fixed rate of interest and are repayable on demand. Hence, the company is not exposed to interest rate risk.

Commodity price

The Company has no exposure to commodity prices as it does not deal in derivative instruments whose underlying is a commodity.

Equity price risk

The Company's exposure to equity price risk is not material as at all the reporting periods presented in the financial statements.

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 refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Liquidity 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 refundable joint development deposits, security deposits, loans to employees and other financial instruments.

The table below provides details regarding the contractual maturities of significant liabilities as at March 31, 2020 and March 31, 2019.

Rs. in hundred

Particulars	As at March 31, 2020				Total
	On demand	0-1 years	1-5 years	More than 5 years	
Borrowings	64,03,820.59	-	50,01,706.56	-	1,14,05,527.15
Trade payables	-	1,53,349.66	-	-	1,53,349.66
Other financial liabilities	27,29,769.79	70,130.40	3,44,604.28	-	31,44,504.46

Rs. in hundred

Particulars	As at March 31, 2019				Total
	On demand	0-1 years	1-5 years	More than 5 years	
Borrowings	56,97,153.68	-	-	-	56,97,153.68
Trade payables	-	1,74,766.88	-	-	1,74,766.88
Other financial liabilities	25,59,266.27	-	-	-	25,59,266.27



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31 Capital management

The Company manages its capital in such a way that it ensures there is timely availability of funds for operations. The capital structure of the Company consists of equity, other equity (Optionally convertible debentures) and short terms debt (inter corporate deposits). Till March 31, 2020, the operations of the the Company are predominantly funded by means of inter corporate deposits. The Company is not subjected to any externally imposed capital requirements. The Company's Board reviews the capital structure and determines the appropriate composition of debt and equity.

32 In the opinion of the Management all the current assets have on value of realization in the ordinary course of business which is at least equal to the amount at which they are stated in the balance sheet.

33 Related party disclosure :

(i) Names of related parties and description of relationship:

Ultimate Holding Company

Prestige Estates Projects Limited

Holding Company

Prestige Hospitality Ventures

Entities under common control

K2K Infrastructure India Private Limited

Prestige Fashions Pvt Ltd

Prestige Golf Resorts Pvt Ltd

Prestige Leisure Resorts Pvt Ltd

Key Management Personnel

Irfan Razack

Rezwan Razack

Noaman Razack

Relative of Key Management Personnel

Uzma Irfan

Faiz Rezwan

Zaid Noaman

Zaid Sadiq

Badrunissa Irfan

(ii) Transactions with Related Parties during the year :

Particulars	Rs. in hundred	
	Year ended 31 March 2020	Year ended 31 March 2019
Inter Corporate Deposits Received		
Prestige Estates Projects Limited	40,31,000.00	13,66,000.00
	40,31,000.00	13,66,000.00
Inter Corporate Deposits Repaid		
Prestige Estates Projects Limited	33,25,000.00	-
	33,25,000.00	-
Interest on Inter Corporate Deposits		
Prestige Estates Projects Limited	1,84,243.56	3,94,318.88
	1,84,243.56	3,94,318.88
Optionally Convertible Debentures Issued		
Prestige Estates Projects Limited*	-	1,00,00,000.00
	-	1,00,00,000.00
Purchase of Goods		
Accounts Fashions Private Limited	4,515.97	7,985.15
	4,515.97	7,985.15



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Services Received

K2K Infrastructure India Private Limited

3,828.20

3,828.20

Advance Paid

K2K Infrastructure India Private Limited

98,099.54

98,099.54

Sale of Services

Anjum Jung

185.10

Uzma Irfan

- 2,045.62

Faiz Rezwan

- 4,457.93

Prestige Fashions Pvt Ltd

-

Rezwan Razack

1,428.69 240.80

Noaman Razack

809.47 1,077.97

Irfan Razack

1,862.13 2,959.61

Zaid Noman

20.92 -

Zaid Sadiq

24.70 -

Prestige Estates Projects Limited

2,76,091.39 3,92,964.39

Prestige Fashions Pvt Ltd

693.72 -

2,81,116.12 4,03,746.32

(iii) Balance Outstanding

Particulars	As at 31 March 2020	As at 31 March 2019
Trade Payables		
K2K Infrastructure India Private Limited	3,828.20	13,642.23
Prestige Fashions Pvt Ltd	4,229.92	8,314.75
Prestige Leisure Resorts Private Limited	-	346.31
	8,058.12	22,303.29
Trade Receivables		
Anjum Jung	318.49	-
Faiz Rezwan	538.02	569.26
Irfan Razack	132.14	78.92
Noaman Razack	605.15	53.76
Rezwan Razack	19.42	5.17
Hashim Zackrai	50.82	-
Zaid Noman	165.32	-
Zaid Sadiq	26.52	-
Prestige Estates Projects Limited	1,85,731.99	1,50,594.90
Prestige Fashions Pvt Ltd	693.72	-
	1,88,281.60	1,51,302.01
Advance Receivable		
K2K Infrastructure India Private Limited	98,099.54	-
	98,099.54	-
Inter Corporate Deposits		
Prestige Estates Projects Limited	63,94,533.48	56,88,533.48
	63,94,533.48	56,88,533.48
Interest on Inter Corporate Deposits		
Prestige Estates Projects Limited	27,29,769.79	25,59,266.27
	27,29,769.79	25,59,266.27
Optionally Convertible Debentures Issued		
Prestige Estates Projects Limited*	1,00,00,000.00	1,00,00,000.00
	1,00,00,000.00	1,00,00,000.00

Inter corporate deposits from Prestige estates projects limited of Rs.1,00,00,00,000/- has been converted into 10,00,00,000 0% Optionally convertible debentures of Rs.10 each (Refer Note 12).



NOTES FORMING PART OF FINANCIAL STATEMENTS

- a) Related party relationships are as identified by the company on the basis of information available with them and relied upon by the auditors.
- b) No amount is written off or written back during the year in respect of debts due from or to related parties.
- c) Reimbursement of actual expenses is not disclosed in transactions with Related Parties during the year.

34 Earnings per share

Particulars	in Rs. (except no. of shares)	
	As at 31 March 2020	Year ended 31 March 2019
a) Net profit/ (loss) for the year available to equity shareholders (including Other comprehensive income)	73,73,98,371.12	89,80,621
b) Weighted average number of equity shares - Basic	30,00,000	30,00,000
c) Weighted Average number of Equity shares- Diluted	40,00,000	40,00,000
d) Nominal Value of shares		-
e) Basic Earnings per Share (in Rs.)	245.80	2.99
f) Diluted Earnings per Share (in Rs.)	184.35	2.25

35 Employee benefits

The details of employee benefits as required under Accounting Standard 15 'Employee Benefits' is given below:

(i) Defined Contribution Plan: During the year, the Company has recognized the following amounts in the Profit and Loss Statement -

Particulars	Rs. in hundred	
	As at 31 March 2020	Year ended 31 March 2019
Employers' Contribution to Provident Fund	1,02,565.17	77,784.13
Employers' Contribution to ESI	24,986.04	25,279.44
	<u>1,27,551.31</u>	<u>1,03,063.57</u>

Particulars	Rs. in hundred	
	As at 31 March 2020	Year ended 31 March 2019
Components of employer expense:		
Current Service cost	28,271.30	19,882.78
Interest cost	8,685.52	6,591.04
Expected return on plan assets	(4,069.08)	(3,556.16)
Past Service Cost - Vested/Non Vested Benefit		-
Actuarial Losses/(Gains)		-
Administrative expenses	2,602.09	1,339.95
Total expense/(income) recognized in the Profit & Loss Statement	35,489.83	24,257.61

Change in Fair Value of Assets during the year ended:

Opening Fair Value of Plan Assets	37,837.96	41,666.70
Administrative expenses	(2,602.09)	(1,339.95)
Expected return on plan assets	(212.42)	3,556.16
Excess return over interest income on plan assets	4,069.08	(779.81)
Actuarial gains/(losses)		-
Contributions by Employer	24,551.63	10,000.00
Benefits paid	(2,297.57)	(15,265.14)
Closing Fair Value of Plan Assets	61,346.59	37,837.96



NOTES FORMING PART OF FINANCIAL STATEMENTS

Change in Defined Benefit Obligation (DBO) during the year ended :

Present Value of DBO at the beginning of the year	93,574.16	61,709.17
Current service cost	28,271.30	19,882.78
Interest cost	8,685.52	6,591.04
Actuarial (gains)/losses	11,194.01	20,656.31
Past Service Cost - Vested/Non Vested Benefit		-
Others	(277.28)	
Benefits paid	(3,777.93)	(15,265.14)
Present value of DBO at the end of the year	1,37,669.78	93,574.16

Net asset/(liability) recognized in balance sheet:

Fair value of plan assets	61,346.59	37,837.96
Present Value of Defined Benefit Obligation	(1,37,669.78)	(93,574.16)
Net asset/(liability) recognized in balance sheet	(76,323.19)	(55,736.20)

Actuarial Assumptions:

Discount Rate	6.70%	7.70%
Expected Return on plan assets	8.00%	8.00%
Salary escalation	7.00%	7.00%
Attrition Rate	Refer table	Refer table

Attrition Rate

Age	As at 31 March 2020	Year ended 31 March 2019
Upto 30 years	10.00%	10.00%
31-41 years	5.00%	5.00%
41-50 years	3.00%	3.00%
above 50 years	2.00%	2.00%

Note:

- (a) Details of Investment composition of plan assets has not been provided by the fund managers and hence not given.
(b) The estimates of future salary increases considered in actuarial valuation take account of inflation, Seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(iii) Other Employee Benefits – Leave Encashment

Leave salary benefit expensed in the Statement of Profit & Loss for the year is Rs. 50,335.80 (in hundreds). (Previous Year - Rs.22,696.15/-) and outstanding towards leave salary is Rs.56,140.77/- (P.Y - Rs.43,835.27/-).

37 Dues to Micro, Small and Medium Enterprises

There are no Micro, Small and Medium Enterprises, to whom the company owes dues, which are outstanding at the Balance Sheet date, computed on unit wise basis, determined to the extent such parties identified on the basis of information available with the Company.

38 Segment Reporting

The operations of the Company include acquiring, development and leasing of real estate properties in India constituting a single business and geographical segment. Hence no separate disclosure of segment information as per Indian Accounting standard 17 issued under Companies (Indian Accounting Standard) Rules, 2015 has been made.

- 39** Previous period figures have been regrouped/reclassified wherever necessary to correspond to the current year's classification/disclosure.

As per our report of even date

for MSSV & Co.

Chartered Accountants

Firm Registration No.0018875

Shiv Shankar T.R.

Partner

Membership No.220517



For and on behalf of the Board


Faiz Rezwana

Director

DIN : 01217423


Uzma Irfan

Director

DIN : 01216604

Place: Bengaluru

Date: 08 June, 2020

Place: Bengaluru

Date: 08 June, 2020

Place: Bengaluru

Date: 08 June, 2020