



## Independent Auditor's Report

To,  
**The Members of ARZ Properties Limited**

We have audited the accompanying standalone financial statements of **ARZ Properties Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2020, and 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 and a summary of the 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### Basis of Opinion

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

### Emphasis of Matter

We invite attention to Note No.16 to the financial results, regarding the uncertainties arising out of the outbreak of COVID-19 pandemic and the assessment made by the management on its business and financial statements, for the year ended March 31, 2020 and also the future impact on supply chains and consumer demand. This assessment and the outcome of the pandemic is as made by the management and is highly dependent on the circumstances as they evolve in the subsequent periods. The impact, therefore, in future periods may be different from the estimates made as on the date of approval of these financial results. Our opinion is not modified in respect of this matter.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility**

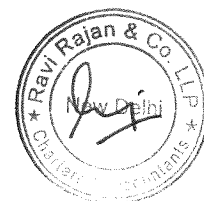
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

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

- a. Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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.
- b. 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)(1) of the Companies Act 2013, auditor are also responsible for expressing an opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. 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.
- e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

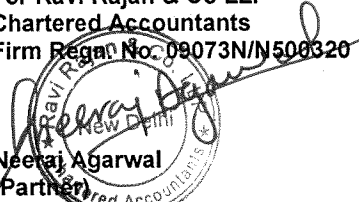
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.
  - e) On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - 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, as amended, 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 is not required to make any provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Ravi Rajan & Co LLP  
Chartered Accountants  
Firm Regn No. 09073N/N500320  
  
Neeraj Agarwal  
(Partner)  
M.No 521845  
UDIN-20521845AAAAAO4749  
Place New Delhi  
Dates: June 15, 2020

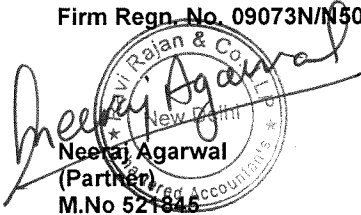
**ANNEXURE "A" Referred to in our Report of Even Date**  
**Re: ARZ Properties Limited**

- (i) a) The Company does not own any immovable property. Therefore, the provisions of Clause 3(i)(a) of the Order are not applicable to the Company.
- b) The Company does not own any immovable property. Therefore, the provisions of Clause 3(i)(b) of the Order are not applicable to the Company.
- c) The Company does not own any immovable property. Therefore, the provisions of Clause 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company does not have inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under section 189 of the Act. Therefore the provisions of Clause 3(iii) of the Order are not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has not entered into any transaction covered under Section 185 and 186 of the Act. Therefore the provisions of Clause 3(iii) of the Order are not applicable to the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Therefore, the provisions of Clause 3(vi) of the Order are not applicable to the Company.
- (vii) a) As per the examination of records of the company and according to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues applicable to it like, Provident Fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities, and there were no arrears of such dues at the end of the year which have remained outstanding for a period of more than six months from the date they became payable.
- b) As per records produced before us and according to the information and explanations given to us there are no dues of Income-tax, Goods and Service Tax, Sales-tax, Service Tax, Customs duty, Excise Duty, Value Added Tax or Cess which have not been deposited on account of any dispute.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (ix) The Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause 3(ix) is not applicable to the Company.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.



- (xi) According to the records of the company examined by us, the Company has not paid/ provided for any managerial remuneration.
- (xii) In Our opinion and according to information and explanation given to us, the Company is not a nidhi company. Accordingly the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 of the Act are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For Ravi Rajan & Co LLP**  
**Chartered Accountants**  
**Firm Regn. No. 09073N/N500320**

  
Neeraj Agarwal  
(Partner)  
M.No 521846

**UDIN-20521845AAAAAO4749**  
**Place New Delhi**  
**Dates: June 15, 2020**

**ANNEXURE "B" referred to in paragraph 2(f) under "Report on other legal and regulatory requirements" section of our report of even date to the members of ARZ Properties Limited on the Internal Financial Controls referred under clause (i) of sub-section 3 of section 143 of the Companies Act 2013 ("the Act") for the year ended 31st March, 2020.**

We have audited the internal financial controls over financial reporting of **ARZ Properties Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility**

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

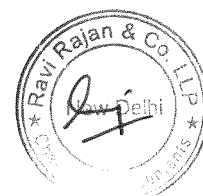
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



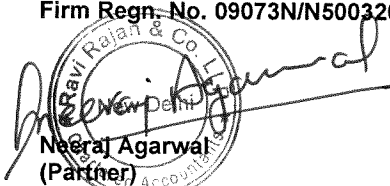
## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

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

**For Ravi Rajan & Co LLP**  
**Chartered Accountants**  
**Firm Regn. No. 09073N/N500320**



Neeraj Agarwal  
(Partner)

**M.No 521845**  
**UDIN-20521845AAAAAO4749**  
**Place New Delhi**  
**Dates: June 15, 2020**

**ARZ Properties Limited**  
**CIN:U45200DL2012PLC246260**  
**Balance Sheet As at 31st March 2020**

				(Amount in INR.)	
	Particulars	Note No.	Amount as at 31st Mar 2020	Amount as at 31st March 2019	
<b>I</b>	<b>Assets</b>				
<b>(1)</b>	<b>Non Current assets</b>				
	Property ,Plant and Equipment		-	-	
	Financial Assets				
	(i) Loans		-	-	
	(ii) Other Financial assets		-	-	
<b>(2)</b>	<b>Current Assets</b>				
	Inventories		-	-	
	Financial Assets				
	(i) Trade Receivables		-	-	
	(ii) Cash and Cash equivalents	3	10,676	11,148	
	Current Tax assets (Net)		-	-	
	Other Current Assets	4	2,84,974	3,08,975	
	<b>Total</b>		<b>2,95,651</b>	<b>3,20,123</b>	
<b>II</b>	<b>Equity and Liabilities</b>				
<b>A</b>	<b>Equity</b>				
	Equity share capital	5	5,00,000	5,00,000	
	Other Equity	5A	(2,16,149)	(2,03,477)	
<b>B</b>	<b>Liabilities</b>				
<b>(1)</b>	<b>Non Current Liabilities</b>				
	Financial Liabilities				
	Borrowings				
	(i) Trade Payables		-	-	
	Micro and Small Enterprises				
	Others				
	(ii) Other Financial Liabilities		-	-	
	Provisions		-	-	
	Deffered Tax Liabilities		-	-	
	Other Non Current Liabilities		-	-	
<b>(2)</b>	<b>Current Liabilities</b>				
	Financial Liabilities				
	(i) Borrowings		-	-	
	(ii) Trade and other Payables		-	-	
	(iii) Other Financial Liabilities		-	-	
	Other Current Liabilities		-	-	
	Short Term Provisions	6	11,800	23,600	
	Current Tax Liabilities (Net)		-	-	
	<b>Total</b>		<b>2,95,651</b>	<b>3,20,123</b>	


**Significant Accounting Policies**

1 & 2


The Accompanying notes and other explanatory information are an integral part of Financial Statement "


As per report of even date

For Ravi Rajan & Co LLP  
**Chartered Accountant**  
 Firm Regn. No. 009073N/N500320

  
**Neeraj Agarwal**  
 Partner  
 M.No. 521845  
 Place : New Delhi  
 Dated : 15/06/2020

For and on behalf of the Board

  
**Neeraj Kumar**  
 Director  
 DIN 05320329

  
**Pawan Singh Bisht**  
 Director  
 DIN 08325589



**ARZ Properties Limited**  
CIN:U45200DL2012PLC246260

**Profit and Loss Statement for the year ended 31st March 2020**

(Amount in INR.)

Particulars	Note No	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from operations		-	-
Other income		-	-
<b>Total Income</b> (I+II)		-	-
<b>Expenses:</b>			
Employee benefits expense		-	-
Finance costs		-	-
Depreciation and amortization Expense		-	-
Other expenses	7	12,672	12,154
<b>Total expenses</b> (IV)		<b>12,672</b>	<b>12,154</b>
<b>Profit before exceptional items and tax</b> (III-IV)		<b>(12,672)</b>	<b>(12,154)</b>
Exceptional items			
<b>Profit before Tax</b> (V-VI)		<b>(12,672)</b>	<b>(12,154)</b>
Tax expense:			
(1) Current tax		-	-
(ii) Deferred Tax		-	-
<b>Profit (Loss) for the period</b>		<b>(12,672)</b>	<b>(12,154)</b>
<b>Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the period</b>		<b>(12,672)</b>	<b>(12,154)</b>
Earnings per Equity Share			
(1) Basic	8	(0.25)	(0.24)
(2) Diluted		(0.25)	(0.24)

**Significant Accounting Policies**

1 & 2

The Accompanying notes and other explanatory information are an integral part of Financial Statement

As per report of even date

**For Ravi Rajan & Co LLP**  
**Chartered Accountant**

Firm Regn. No. 3099073NAN500320

**Neeraj Agarwal**  
**Partner**  
**M.No. 521845**

Place : New Delhi  
Dated : 15/06/2020

**For and on behalf of the Board**


**Neeraj Kumar**  
Director  
DIN 05320329

**Pawan Singh Bisht**  
Director  
DIN 08325589

**ARZ Properties Limited**  
**CIN:U45200DL2012PLC246260**  
**Cash Flow Statement for the year ended 31st March 2020**


Particulars	(Amount in INR.)	
	2019-20	2018-19
<b>Cash flows from operating activities</b>		
Net profit before taxation, and extraordinary item	(12,672)	(12,154)
Operating profit before working capital changes	<b>(12,672)</b>	<b>(12,154)</b>
<b>Adjustments for:</b>		
Inventory	-	-
Current Liabilities	(11,800)	11,800
Loan & Advances , Other Asset	24,000	-
<b>Cash generated from operations</b>	<b>(472)</b>	<b>(354)</b>
Income taxes paid	-	-
<b>Net cash from operating activities</b>	<b>(472)</b>	<b>(354)</b>
<b>Net cash from investing activities</b>	-	-
<b>Cash flows from financing activities</b>		
Issue of share capital	-	-
<b>Net cash used in financing activities</b>	-	-
<b>Net Increase in cash and cash equivalents</b>	<b>(472)</b>	<b>(354)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>11,148</b>	<b>11,502</b>
<b>Cash and cash equivalents at end of period</b>	<b>10,676</b>	<b>11,148</b>

For Ravi Rajan & Co LLP  
Chartered Accountant  
Firm Reg. No. 009073N/N500320

  
**Neeraj Agarwal**  
Partner  
M.No. 521845  
Place : New Delhi  
Dated : 15/06/2020

For and on behalf of the Board

  
**Neeraj Kumar**  
Director  
DIN 05320329

  
**Pawan Singh Bisht**  
Director  
DIN 08325589

ARZ Properties Limited

CIN:U45200DL2012PLC246260

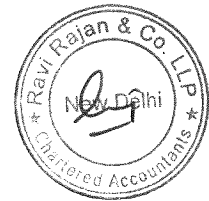
Statement of Change in equity as at 31st March 2020

(Amount in INR.)

Particulars	As at 31.03.2020		As at 31.03.2019	
	No of Shares	Amount	No of Shares	Amount
Equity shares outstanding at the beginning of the	50,000	5,00,000	50,000	5,00,000
Equity shares issued during the year	-	-	-	-
Equity shares outstanding at the end of the year	50,000	5,00,000	50,000	5,00,000

(Amount in INR.)

Particulars	Equity component of compound financial instrument	Equity			Other Equity	
		Equity Share Capital	General Reserve	Retained Earning	Total Equity Share Capital	Total Other Equity
As on 01.04.2018	-	5,00,000	-	(1,66,884)	5,00,000	(1,66,884)
Changes/Profit for the year	-	-	-	(12,154)	-	(12,154)
Other Comprehensive Income	-	-	-	-	-	-
<b>As on 01.04.2019</b>	-	<b>5,00,000</b>	-	<b>(1,79,038)</b>	<b>5,00,000</b>	<b>(1,79,038)</b>
Changes/Profit for the year	-	-	-	(12,672)	-	(12,672)
Other Comprehensive Income	-	-	-	-	-	-
<b>As on 31.03.2020</b>	-	<b>5,00,000</b>	-	<b>(1,91,710)</b>	<b>5,00,000</b>	<b>(1,91,710)</b>



**ARZ Properties Limited**  
**CIN:U45200DL2012PLC246260**

**Notes Forming part of the financial statement for the year ended 31st March 2020**

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**1. Nature of business**

The company was incorporated on 15 Dec,2012 under the provisions of the Companies Act, 1956. the company has been formed to carry on business to acquire by purchase and sell, Lease, Hire or other wise land and properties of any tenure or interest there onto erect , construct houses, buildings or works of every description Development of Colonies and pull down rebuild, enlarge, alter Improve existing houses and building to construct and appropriate any such land into and for roads, streets, gardens and other conveniences as detailed given in Memorandum of Association of the company.

The registered office of the Company is situated at Half Basement No.1, East of Kailash Community Centre, Sandhya Deep Building New Delhi South Delhi DL 110065 IN

**2. Summary of Significant Accounting Policies**

**2.1. Basis of Accounting and Preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Ind AS) to comply with the Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards (Amendment)Rule 2016, The Company Adopted Ind AS w.e.f. April 01, 2016 (with the transition date of April 01,2015) and accordingly these financial results (including all previous year comparative periods reinstated) have been prepared in accordance with the recognition and measurement principals prescribed under Section 133 of the Companies Act , 2013 read with the relevent rules issued there under and other accounting principals generally accepted in india.

The Company has ascertained its operating cycle as 48 months for the purpose of current / non-current classification of assets and liabilities. This is based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents.

The Financial statement are present in INR and all figures are in full, All Financial figures are rounded off to the nearest Rupee.

**2.2. Taxation**

Provision for current tax is determined as the amount of tax payable in respect of estimated taxable income for the year and in accordance with the provisions of Income Tax Act, 1961. Deferred tax is recognized using the enacted tax rates and laws as on the Balance Sheet date, subject to the consideration of prudence in respect of deferred tax assets on all timing differences, between taxable income and accounting income that originate in one period and are capable of reversal in one of more subsequent periods.

**2.3. Earnings per share**

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period.

**2.4. Revenue Recognition**

Revenue is recognised as per agreed profit margin (Rs. 30000/- per Acres) as mentioned in the development agreement with the "Developer" (APIL) on the licensed land transferred for Development.

**2.5. Provision, Contingent Liabilities and Contingent Assets:**

A provision is recognised if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are not recognised but disclosed in the Financial Statements when economic inflow is probable.



## **2.6. Financial Instruments:**

### **a) Financial Asset**

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow Characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

### **b) Financial Liability**

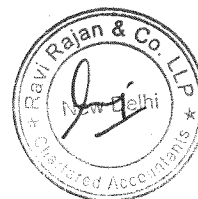
At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability.

## **2.7. Cash and Cash Equivalents**

Cash and cash equivalents comprise cash and cash deposit with banks.

## **2.8. Cash Flow Statement**

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



**ARZ Properties Limited**  
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**Notes Forming part of the financial statement for the year ended 31st March 2020**

**3 Cash and Cash Equivalents**

(Amount in INR.)

Particulars	As at 31.03.2020	As at 31.3.2019
Cash on Hand	-	-
Balances with banks: In Current Accounts	10,676	11,148
Less : Book Overdraft	-	-
<b>Closing Balance</b>	<b>10,676</b>	<b>11,148</b>

**4 Other Non financial asset**

(Amount in INR.)

Particulars	As at 31.03.2020	As at 31.3.2019
Ansai Hi-Tech Townships Limited (Holding Company)	284,974	308,975
<b>Closing Balance</b>	<b>284,974</b>	<b>308,975</b>

**5 Equity share capital**

(Amount in INR.)

Particulars	As at 31.03.2020	As at 31.3.2019
<b>AUTHORISED</b> Equity shares. Rs. 10/- par value 50,000 (Previous year 50,000) Equity Shares	<b>500,000</b>	<b>500,000</b>
	<b>500,000</b>	<b>500,000</b>
Shares issued, subscribed and fully paid up Capital Equity shares. Rs. 10/- par value 50,000 (Previous year 50,000) Equity Shares (Out of the above, 49,994 equity shares, fully paid up are held by Ansai Hi-Tech Townships Ltd.- Holding Company. (Previous year 49,994)	<b>500,000</b>	<b>500,000</b>
<b>Closing Balance</b>	<b>500,000</b>	<b>500,000</b>

**(a) Terms/rights attached to Equity Shares**

The Company has only one class of Equity Shares having a par value of Rs.10/- each. Each holder of Equity Shares is entitled to one vote per shares. The dividend proposed by the Boards of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting. In the event of liquidation of the company, the holders of Equity Shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

Aggregate number of bonus shares issued, during the period of five years immediately preceding the reporting period: Nil



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Notes Forming part of the financial statement for the year ended 31st March 2020

(b) Reconciliation of the Shares outstanding at the beginning and at the end of reporting period are as below:

(Amount in INR.)

Particulars	As at 31.03.2020		As at 31.3.2019	
	No of Shares	Amount	No of Shares	Amount
Equity shares outstanding at the beginning of the year	50,000	500,000	50,000	500,000
Equity shares issued during the year	-	-	-	-
Equity shares outstanding at the end of the year	<b>50,000</b>	<b>500,000</b>	<b>50,000</b>	<b>500,000</b>

**5A. Other Equity**

(Amount in INR.)

Particulars	Equity	Other Equity		Total Equity Share Capital	Total Other Equity
	Equity Share Capital	General Reserve	Retained Earning		
As on 01.04.2018	500,000	-	(191,323)	500,000	(191,323)
Changes/Profit for the year	-	-	(12,154)	-	(12,154)
Other Comprehensive Income	-	-	-	-	-
<b>As on 01.04.2019</b>	<b>500,000</b>	<b>-</b>	<b>(203,477)</b>	<b>500,000</b>	<b>(203,477)</b>
Changes/Profit for the year	-	-	(12,672)	-	(12,672)
Other Comprehensive Income	-	-	-	-	-
<b>As on 31.03.2020</b>	<b>500,000</b>	<b>-</b>	<b>(216,149)</b>	<b>500,000</b>	<b>(216,149)</b>

**6 Short Term Provisions**

(Amount in INR.)

Particulars	As at 31.03.2020	As at 31.3.2019
Audit Fees Payable	11,800	23,600
<b>Total</b>	<b>11,800</b>	<b>23,600</b>

**7 Other Expenses**

(Amount in INR.)

Particulars	As at 31.03.2020	As at 31.3.2019
Filing Fees	400	-
Conveyance	-	-
Legal & Professional Expenses	-	-
Bank Charges	472	354
Auditor's remuneration - Statutory audit	11,800	11,800
<b>Total</b>	<b>12,672</b>	<b>12,154</b>



**ARZ Properties Limited**  
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**Notes Forming part of the financial statement for the year ended 31st March 2020**

**8 Earning Per Share**

Particulars	As at 31.03.2020	As at 31.3.2019
Opening equity shares (Nos.)	50,000	50,000
Equity shares issued during the year (Nos.)	-	-
Closing equity shares (Nos.)	50,000	50,000
Weighted average number of equity shares used as denominator for basic earnings (Nos.)	50,000	50,000
Weighted average number of equity shares used as denominator for diluted earnings (Nos.)	50,000	50,000
Net profit after tax used as numerator (Amount in INR.)	(12,672)	(12,154)
Basic earnings per Share (Amount in INR.)	(0.25)	(0.24)
Diluted earnings per Share (Amount in INR.)	(0.25)	(0.24)
Face value per share (Amount in INR.)	10	10

9 The Company does not have any employee, Ind AS-19 on "Employee Benefit" is not applicable.

10 Ind AS - 108 relating to "Operating Segment" is not applicable as the company has only one segment i.e. real estate business.

**11 Related Party Disclosure**

(a) There is no Key Managerial Person up to 31st March 2020.

(b) As per Ind AS-24 "Related party Disclosure", the following are related parties:

Name of Related Parties	Relation
Ansal Properties & Infrastructure Ltd	Parent Company
Ansal Hi-Tech Townships Limited	Holding Company
Delhi Towers Ltd.	Fellow Subsidiary
Ansal Condominium Ltd.	Fellow Subsidiary
Ansal IT City & Parks Ltd.	Fellow Subsidiary
Star Facilities Management Ltd.	Fellow Subsidiary
Ansal API Infrastructure Ltd.	Fellow Subsidiary
Charismatic Infratech Pvt. Ltd.	Fellow Subsidiary
Aabad Real Estates Limited	Fellow Subsidiary
Anchor Infraprojects Limited	Fellow Subsidiary
Bendictory Realtors Limited	Fellow Subsidiary
Caspian Infrastructure Limited	Fellow Subsidiary
Celestial Realtors Limited	Fellow Subsidiary
Chaste Realtors Limited	Fellow Subsidiary
Cohesive Constructions Limited	Fellow Subsidiary
Cornea Properties Limited	Fellow Subsidiary
Creative Infra Developers Limited	Fellow Subsidiary
Decent Infratech Limited	Fellow Subsidiary
Diligent Realtors Limited	Fellow Subsidiary
Divinity Real Estates Limited	Fellow Subsidiary
Einstein Realtors Limited	Fellow Subsidiary
Emphatic Realtors Limited	Fellow Subsidiary
Harapa Real Estates Limited	Fellow Subsidiary
Inderlok Buildwell Limited	Fellow Subsidiary
Kapila Buildcon Limited	Fellow Subsidiary
Kshitiz Realtech Limited	Fellow Subsidiary
Kutumbkam Realtors Limited	Fellow Subsidiary
Lunar Realtors Limited	Fellow Subsidiary
Marwar Infrastructure Limited	Fellow Subsidiary
Muqaddar Realtors Limited	Fellow Subsidiary
Paradise Realty Limited	Fellow Subsidiary
Parvardigaar Realtors Limited	Fellow Subsidiary

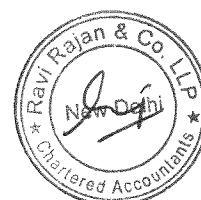




**ARZ Properties Limited**  
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**Notes Forming part of the financial statement for the year ended 31st March 2020**

Pindari Properties Limited	Fellow Subsidiary
Pivotal Realtors Limited	Fellow Subsidiary
Plateau Realtors Limited	Fellow Subsidiary
Retina Properties Limited	Fellow Subsidiary
Sarvodaya Infratech Limited	Fellow Subsidiary
Sidhivinayak Infracon Limited	Fellow Subsidiary
Shohrat Realtors Limited	Fellow Subsidiary
Superlative Realtors Limited	Fellow Subsidiary
Taqdeer Realtors Limited	Fellow Subsidiary
Thames Real Estates Limited	Fellow Subsidiary
Auspicious Infracon Limited	Fellow Subsidiary
Medi Tree Infrastructure Ltd.	Fellow Subsidiary
Phalak Infracon Ltd.	Fellow Subsidiary
Rudrapriya Realtors Ltd.	Fellow Subsidiary
Twinkle Infraprojects Ltd.	Fellow Subsidiary
Sparkle Realtech Pvt. Ltd.	Fellow Subsidiary
Awadh Realtors Ltd.	Fellow Subsidiary
Affluent Realtors Pvt. Ltd.	Fellow Subsidiary
Ansal SEZ Projects Ltd.	Fellow Subsidiary
Haridham Colonizers Limited	Fellow Subsidiary
Ablaze Buildcon Private Limited	Fellow Subsidiary
Quest Realtors Private Limited	Fellow Subsidiary
Euphoric Properties Private Limited	Fellow Subsidiary
Ansal Townships Infrastructure Limited	Fellow Subsidiary
Sukhdam Colonisers Ltd.	Fellow Subsidiary
Dreams Infracon Ltd.	Fellow Subsidiary
Effulgent Realtors Ltd.	Fellow Subsidiary
Mangal Murthi Realtors Ltd.	Fellow Subsidiary
Tamanna Realtech Ltd.	Fellow Subsidiary
Singolo Constructions Ltd.	Fellow Subsidiary
Unison Propmart Ltd.	Fellow Subsidiary
Lovely Building Solutions Pvt. Ltd.	Fellow Subsidiary
Komal Building Solutions Pvt. Ltd.	Fellow Subsidiary
H. G. Infrabuild Pvt. Ltd.	Fellow Subsidiary
Ansal Seagull SEZ Developers Limited	Fellow Subsidiary
Ansal Colours Engineering SEZ Limited	Fellow Subsidiary
Ansal Landmark Townships Private Limited	Fellow Subsidiary
Ansal Urban Condominiums Private Limited (AUCPL)	Fellow Subsidiary
Caliber Properties Private Limited	Fellow Subsidiary
Ansal Phalak Infrastructure Private Limited	Fellow Subsidiary
Mannat Infrastructure Private Limited	Fellow Subsidiary
Niketan Real Estates Private Limited	Fellow Subsidiary
Ansal Landmark (Karnal) Townships Private Limited	Fellow Subsidiary
Lilac Real Estate Developers Private Limited	Fellow Subsidiary
Aerie Properties Private Limited	Fellow Subsidiary
Arena Constructions Private Limited	Fellow Subsidiary
Arezzo Developers Private Limited	Fellow Subsidiary
Vridhi Properties Private Limited	Fellow Subsidiary
Vriti Construction Private Limited	Fellow Subsidiary
Sphere Properties Private Limited	Fellow Subsidiary
Sia Properties Private Limited	Fellow Subsidiary
Sarvsanjhi Construction Private Limited	Fellow Subsidiary



**ARZ Properties Limited**  
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**Notes Forming part of the financial statement for the year ended 31st March 2020**

Associate Companies	NIL
Joint Venture Company	NIL
Key Management Personnel and their relatives	NIL
Enterprises over which key management personnel and their relatives have significant influence	NIL

The company has entered into the following related party transactions. Such parties and transactions have been identified as per Ind As 24 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India.

(Amount in INR.)

Name of Related Party	Ansal Hi-Tech Townships Limited (Holding)	
	As at 31.03.2020	As at 31.3.2019
Opening (Dr.)	308,975	308,975
Advance Recieved	(24,000)	
Advance Paid		-
Closing Bal. (Dr.)	284,975	308,975

**12 Balance recoverable**

(Amount in INR.)

Name of the Company	Relationship	Nature	As at 31.03.2020	As at 31.3.2019
Ansal Hi-Tech Townships Limited	Holding Company	recoverable	284,974	308,975

**13 Audit Fee**

**Payment to Auditors (inclusive of GST/ Service Tax)**

(Amount in INR.)

Particulars	2019-20	2018-19
Audit Fee	11,800	11,800
Limited Review	-	-
For Certification/ other Services	-	-

**14 Amount due to Micro, Small and medium Enterprises.**

There are no Micro and Small Scale Business Enterprises to whom the company overdues, which are outstanding for more than 45 days as at March 31<sup>st</sup> 2020. This information as required to be disclosed under the Micro , Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. Therefore, the prescribed disclosures for liability of interest on overdue payment have not been given.

**15 Financial risk management objectives and policies:**

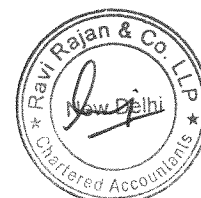
Financial risk management objectives and policies:

The purpose of financial risk management is to ensure that the Company has adequate and effective utilized financing as regards the nature and scope of the business. The objective is to minimize the impact of such risks on the performance of the Company. The Company's senior management oversees the management of these risks.

The Company's principal financial liabilities comprise trade payables and other liabilities. The main purpose of these financial instruments is to raise finance for operations. It has various financial assets such as land advances, trade receivables, which arise directly from its operation.

The main risks can be categorized into:

**Market risk:**



**ARZ Properties Limited**  
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**Notes Forming part of the financial statement for the year ended 31st March 2020**

Market risk is the risk that the fair values of financial instruments will fluctuate because of change in market price. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. There is no currency risk since all operations are in INR. No other risk arises from the operations of the company.

**Credit risk:**

It is that one party to a financial instrument or customer contract will cause a financial loss due to non fulfillment of its obligations under a financial instrument or customer contract for the other party, leading to a finance loss.

The advances are taken from holding company and other associate concerns as interest free advance.

**Liquidity risk:**

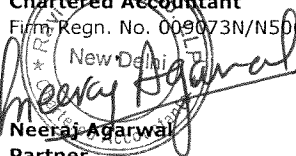
The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The advances are extended to other companies for aggregation of land as interest free advance. Hence no risk to the company is perceived as advances are settled against land purchase.

**16. Estimation of uncertainties relating to the global health pandemic - COVID-19:**

The Company has considered internal and certain external sources of information including economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the Company expects to recover the carrying amount of inventories and other assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any."

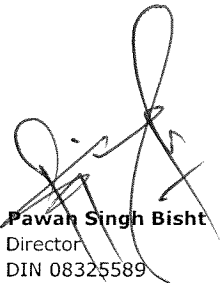
**17. Previous year figures**

Figures of the previous year have been regrouped /reclassified wherever considered necessary to confirm to current year classification.

For **Ravi Rajan & Co LLP**  
**Chartered Accountant**  
Firm Regn. No. 009073N/N500320  
New Delhi  
  
**Neeraj Agarwal**  
**Partner**  
**M.No. 521845**  
Place : New Delhi  
Dated : 15/06/2020

**For and on behalf of the Board**

  
**Neeraj Kumar**  
Director  
DIN 05320329

  
**Pawan Singh Bisht**  
Director  
DIN 08325589