

REACH PROMOTERS PRIVATE LIMITED

DIRECTORS' REPORT FOR FINANCIAL YEAR 2022-23

REACH PROMOTERS PRIVATE LIMITED

[CIN: U70109DL2006PTC150938]

DIRECTORS' REPORT

FINANCIAL YEAR 2022-23

REACH PROMOTERS PRIVATE LIMITED

DIRECTORS' REPORT FOR FINANCIAL YEAR 2022-23

DIRECTORS' REPORT

To,
The Members,
Reach Promoters Private Limited
New Delhi

Your Directors have pleasure in presenting herewith their 17th Annual Report on the business and operations of the Company together with the audited financial statements of the Company for the financial year ended on March 31, 2023.

1. FINANCIAL SUMMARY: -

(Amount in INR Millions)

Particulars		2022-2023	2021-2022
Revenue from operations		510.17	213.87
Other income		15.86	21.12
Total Revenue	[A]	526.03	234.99
Employee benefits expense		45.14	39.46
Other expenses		296.47	244.36
Total expenses	[B]	341.61	283.81
Profit / (Loss) before Tax, Interest & Depreciation	[C] = [A]-[B]	184.42	(48.82)
Less: Interest & Depreciation	[D]	288.77	318.71
Profit before tax	[E] = [C]-[D]	(104.35)	(367.53)
Less: Current Tax	[F]	-	-
Profit/(Loss) after Tax	[G] = [E]-[F]	(104.35)	(367.53)
Add: Balance in Statement of Profit & Loss brought forward	[H]	(925.18)	(557.64)
Balance in Statement of Profit & Loss carried forward	[I] = [G]+[H]	(1029.53)	(925.17)

2. DIVIDEND: -

In view of the losses, your Directors have not recommended any dividend for the year under review.

3. THE AMOUNTS, IF ANY, WHICH IT PROPOSES TO CARRY TO ANY RESERVES: -

For the financial year ended March 31, 2023, the Company incurred losses of Rs. 104.35 millions and it is proposed to carry the loss to free reserves.

4. STATE OF COMPANY AFFAIRS: -

Information and data considered pertinent and necessary for the purpose of a proper appreciation of the state of affairs of a Company is explained as follows:

- The Financial Statements have been prepared on a standalone basis.
- During the year under review, the Company has not issued any securities.
- The status of the Company has not changed.
- There is no change in the accounting year of the Company.
- The Company has incurred capital expenditure as per the objects of the Company in the ordinary course of the business.

No relevant changes have occurred, compared to the position as stated in the previous year's Board's Report, which has a material bearing on the performance of the Company.

5. CHANGE IN THE NATURE OF BUSINESS: -

There is no change in the nature of the business of the Company during the financial year ended March 31, 2023.

6. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT: -

There is no material change and commitment affecting the financial position of the Company between the end of the financial year and the date of this Report.

7. ORDERS IMPACTING GOING CONCERN STATUS: -

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future. Hence, disclosure pursuant to Rule 8 (5) (vii) of the Companies (Accounts) Rules, 2014 is not required.

8. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS: -

The Board is of the opinion that the Company's internal control systems are adequate and commensurate with the nature, size and operations of the Company.

9. DEPOSITS: -

The Company has neither accepted nor renewed any deposits covered under Chapter V of the Companies Act, 2013, during the year under review.

As per Companies (Acceptance of Deposits) Amendment Rules 2019 read with Companies (Acceptance of Deposits) Second Amendment Rules 2019, it is construed that a yearly return shall be filed in e-form DPT 3 with the Registrar of Companies mentioning the outstanding receipt of money or loan by the Company but not considered as deposits.

Filing of yearly return for the financial year 2022-23 in the Form DPT-3 shall be duly completed within statutory time limit.

10. DETAILS OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES: -

The Company does not have any Subsidiary, Joint Ventures or Associate Company.

11. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR: -

During the year under review, Mr. Ashwin Puri resigned from the post of Nominee Director of the Company on February 27, 2023, and Mr. Karim Kasimali Merchant was appointed as additional Director w.e.f. February 27, 2023.

Apart from the changes mentioned above, Ms. Roshni Sahdev resigned from the post of Company Secretary of the Company w.e.f. September 21, 2022.

REACH PROMOTERS PRIVATE LIMITED

DIRECTORS' REPORT FOR FINANCIAL YEAR 2022-23

The Board places on record its sincere appreciation for the valuable contribution made by Mr. Ashwin Puri and Ms. Roshni Sahdev, during her tenure with the Company..

12. MEETINGS OF THE BOARD OF DIRECTORS:

During the year under review, eight (8) Board Meetings were held on the below mentioned dates:

- April 15, 2022
- August 01, 2022
- August 02, 2022
- August 05, 2022
- August 30, 2022
- November 09, 2022
- February 27, 2023; and
- March 16, 2023

Proper notices were given, and the proceedings were properly recorded and signed in the Minutes Book as required under the Companies Act, 2013, Secretarial Standards and the Articles of Association of the Company.

The details of Directors' attendance at Board Meeting and Annual General Meeting are given below:

Name of Director	Director Identification No.	Board Meeting Attended		Whether present at AGM (adjourned) held on September 02, 2022
		No. of Board meeting entitled to attend	No. of Board meeting attended	
Mr. Harinder Singh Hora	00590232	8	7	Yes
Mr. Paramjit Singh	01831634	8	5	Yes
Mr. Scott Eisenberg	02819070	8	6	Yes
Mr. John Collins	06802569	8	2	No
Mr. Ashwin Puri	02085368	7	4	No
Mr. Karim Merchant	05269691	1	1	NA

13. STATUTORY AUDITORS: -

M/s. Walker Chandio & Co. LLP, Chartered Accountants were reappointed as Statutory Auditors of the Company at the Annual General Meeting held on 21st September 2020, for the second term of five consecutive years to hold the office from the conclusion of the 14th Annual General Meeting till the conclusion of the 19th Annual General Meeting of the Company. The Auditors have confirmed that they are not disqualified from being re-appointed as Auditors of the Company.

14. AUDITORS' REPORT: -

There is no qualification, reservation or adverse remarks or disclaimer made by the auditors in their report for the financial year 2022-23.

15. SECRETARIAL AUDITORS: -

M/s Ashish Mishra & Associates, Company Secretaries were appointed as Secretarial Auditors of the Company for conducting the secretarial audit on and from the Financial Year 2022-23.

16. SECRETARIAL AUDITOR'S REPORT: -

There is no qualification, reservation or adverse remarks or disclaimer made by the auditors in their report for the financial year 2022-23.

17. ISSUE OF SHARES AND DEBENTURES AND BUYBACK OF SHARES: -

During the year under review, the Company has not issued any equity shares by way of rights or otherwise to existing shareholders. The Company has neither bought back any of its securities, nor issued any further shares by way of Sweat equity and bonus shares. The Company has not provided any Stock Option Scheme to the employees.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013: -

The particulars of loans, guarantees and investments have been disclosed in the financial statements of the Company for the year under review.

19. PARTICULARS OF CONTRACTS OR ARRANGMENTS MADE WITH THE RELATED PARTIES: -

During the year under review, all the contracts or arrangements entered with the related parties were in ordinary course of business, with necessary/ requisite approval(s). The formal disclosure of such related party contracts or arrangements is furnished in Annexure I in form AOC- 2.

20. COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES: -

The Company is not required to constitute a Nomination and Remuneration Committee as the provisions of Section 178(1) of the Companies Act, 2013 are not applicable to the Company.

21. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO: -

(a) Conservation of energy:

Sr. No.	Particulars	Remarks
(i)	the steps taken or impact on conservation of energy	Although the operations of the Company are not energy intensive, however, every efforts are made to ensure optimum use of energy in the operations of the Company by using energy efficient LED lights, computers and other equipment. Constant efforts are made through regular/preventive maintenance and upkeep of existing electrical equipment to minimize breakdowns and loss of energy. During the previous year the Company took the initiative to install motion sensor lights in various parts of the 'Airia Mall' to enable optimized use of energy.
(ii)	the steps taken by the Company for utilizing alternate sources of energy	Use of Solar PV based rooftop electrical systems of capacity 252 kWp by the Company installed on the building terrace/rooftops at the 'Airia Mall' situated at Badshahpur, Gurugram.

REACH PROMOTERS PRIVATE LIMITED

DIRECTORS' REPORT FOR FINANCIAL YEAR 2022-23

(iii)	the capital investment on energy conservation equipment	The Investment in Solar PV based rooftop electrical systems is not of Capital nature.
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(b) Technology Absorption:

The Company continues to use the latest technology to improve the productivity and quality of its services and products.

(c) Foreign exchange earnings and outgo:

Particulars	For the year ended March 31, 2023 (Amount in INR Millions)
Earnings	-
Outgo	2.89

22. STATEMENT SHOWING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY: -

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has formulated a Risk Management Policy to identify the elements of risk, if any which in the opinion of the Board may threaten the existence of the Company.

During the financial year under review, the Board of Directors did not come across any potential risks which may threaten the existence of the Company.

23. EXTRACT OF ANNUAL RETURN: -

The copy of the Annual Return shall be available on www.airiamall.com in annual return section of the website.

24. DIRECTORS' RESPONSIBILITY STATEMENT: -

Pursuant to the requirements of Section 134(3) (c) and 134(5) of the Companies Act, 2013, it is hereby confirmed:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the loss of the company for the year ended on March 31, 2023.
- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- that the directors had prepared the annual accounts on a going concern basis; and
- that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. MAINTENANCE OF COST RECORDS: -

The maintenance of cost records as specified by the Central Government under Sub-section (1) of Section 148 of the Companies Act, 2013 is required by the Company and accordingly such accounts and records are being made and maintained for the Financial Year 2022-23.

26. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES: -

The provisions of Section 135 of Companies Act, 2013 related to Corporate Social Responsibility is not applicable to the Company.

27. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013: -

The Company has in place a Policy for Prevention of Sexual Harassment of Women at Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. The Company has not received any complaint on sexual harassment during the Financial Year 2022-23.

28. APPLICATION MADE OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016: -

During the financial period under review, no application was made under the Insolvency and Bankruptcy Code, 2016 ("IBC 2016") by your Company. No proceedings are pending under IBC 2016 against your Company.

29. PARTICULARS OF VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS: -

During the financial period under review, there were no instances of any one-time settlement against loans taken from Banks or Financial Institutions.

30. DISCLOSURE ON ESTABLISHMENT OF VIGIL MECHANISM: -

The Company has complied with the applicable provisions of Section 177(9) & 177(10) of the Companies Act, 2013 and Rules made thereunder with respect to vigil mechanism.

31. FRAUD REPORTING: -

During the year under review, no instances of fraud were reported by the statutory auditors of the Company.

32. DECLARATION OF INDEPENDENT DIRECTOR: -

The provisions of Section 149 of the Companies Act, 2013 pertaining to the appointment of Independent Directors does not apply to your Company.

33. SECRETARIAL STANDARD: -

The Company has complied with all the applicable secretarial standards issued by The Institute of Company Secretaries of India.

34. DOWNSTREAM INVESTMENT

The Company is in compliance with the applicable provisions of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 and rules made thereunder, as amended from time to time, including compliance with respect to the Indirect Foreign Investment in form of the Downstream Investment.

35. ACKNOWLEDGMENTS: -

The Directors thank the Company's employees, customers, vendors, investors and bankers for their continued support.

The Directors also thank the Government of India, the governments of various states in India and concerned government departments/agencies for their co-operation.

The Directors appreciate and value the contribution made by every member of the Reach family.

For Reach Promoters Private Limited

PARAMJI
T SINGH

Digitally signed by
PARAMJIT SINGH
Date: 2023.08.17
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Mr. Paramjit Singh
Director
DIN: 01831634

Date: August 17, 2023
Place: Gurugram

KARIM
KASIMALI
MERCHANT

Digitally signed
by KARIM
KASIMALI
MERCHANT

Mr. Karim Merchant
Director
DIN: 05269691

Date: August 17, 2023
Place: Mumbai

FORM NO. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

(a)	Name(s) of the related party and nature of relationship	
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	Lake Shore India Management Private Limited (LSIM). Private Company in which Director of the Company is a director. (Scott Scher Eisenberg and Karim Kasimali Merchant- Nominee and Additional Directors of the Company respectively are Directors in LSIM)
(b)	Nature of contracts/arrangements/transactions	Mall management services provided by LSIM to the Company.
(c)	Duration of the contracts/arrangements/transactions	On-going transaction – to be continued till June 2023
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Noting and approval of continuation of the agreed mall management fees of INR 15,00,000/- (Rupees Fifteen Lakh only) per month plus applicable GST, for the mall management services provided by LSIM, with respect to the shopping mall at Sector 68, Gurugram, Haryana (the "Airia") owned by the Company.
(e)	Date of approval by the Board	February 27, 2023
(f)	Amount paid as advances, if any	N. A

(a)	Name(s) of the related party and nature of relationship	Lake Shore India Management Private Limited ("LSIM") Lake Shore India Advisory Private Limited ("LSIA") Torna Developers Private Limited ("TDPL") Achole Developers Private Limited ("ADPL") Kukatpally Developers Private Limited ("KDPL") Salsette Developers Private Limited ("SDPL") Kenchenhalli Realtors Private Limited ("KRPL") (Private Companies in which Director of the Company is a Director)
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		Sheth Developers & Realtors (India) Limited (Public Company in which Director of the Company is a Director)																		
(b)	Nature of contracts/arrangements/transactions	Transfers/ recoveries carried out/ to be carried-out at Written-Down Value ("WDV") of the asset or at apportioned cost or any other price that is applied as if they were unrelated parties/ non-group entities. Existence of special relationship between contracting parties will not affect the transaction and its critical terms, including price, quantity, quality and other terms and conditions governing the transaction, by following industry benchmarks, past transactions entered by the company, etc. Limit: <table><tr><th>Name of Related Party</th><th>Maximum amount per financial year (starting FY 2022-23) (Excluding GST) (No minimum/ maximum limit per transfer/ transaction.)</th></tr><tr><td>LSIM</td><td>INR 2,000,000</td></tr><tr><td>LSIA</td><td>INR 1,000,000</td></tr><tr><td>TDPL</td><td>INR 1,000,000</td></tr><tr><td>ADPL</td><td>INR 1,000,000</td></tr><tr><td>KDPL</td><td>INR 1,000,000</td></tr><tr><td>SDPL</td><td>INR 1,000,000</td></tr><tr><td>KRPL</td><td>INR 1,000,000</td></tr><tr><td>SDRIL</td><td>INR 1,000,000</td></tr></table>	Name of Related Party	Maximum amount per financial year (starting FY 2022-23) (Excluding GST) (No minimum/ maximum limit per transfer/ transaction.)	LSIM	INR 2,000,000	LSIA	INR 1,000,000	TDPL	INR 1,000,000	ADPL	INR 1,000,000	KDPL	INR 1,000,000	SDPL	INR 1,000,000	KRPL	INR 1,000,000	SDRIL	INR 1,000,000
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LSIA	INR 1,000,000																			
TDPL	INR 1,000,000																			
ADPL	INR 1,000,000																			
KDPL	INR 1,000,000																			
SDPL	INR 1,000,000																			
KRPL	INR 1,000,000																			
SDRIL	INR 1,000,000																			
(c)	Duration of the contracts/arrangements/transactions																			
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any																			
(e)	Date(s) of approval by the Board, if any:	February 27, 2023																		
(f)	Amount paid as advances, if any	-----																		

For Reach Promoters Private Limited

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T SINGH PARAMJIT SINGH
Date: 2023.08.17
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Mr. Paramjit Singh
Director
DIN: 01831634

Date: August 17, 2023
Place: Gurugram

KARIM Digitally signed
KASIMALI by KARIM
MERCHANT KASIMALI
MERCHANT

Mr. Karim Merchant
Director
DIN: 05269691

Date: August 17, 2023
Place: Mumbai



Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,

The Members,

REACH PROMOTERS PRIVATE LIMITED

Regd. Off: 410, 4th Floor Ambadeep Building,
14, K.G. Marg, Connaught Place,
New Delhi-110001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **Reach Promoters Private Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

We report that:

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- c) Wherever required, we have obtained the Management Representation about the compliances of laws, rules and regulations and happening of events etc.
- d) The compliance of the provisions of the corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of those on test basis.

e) This Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s **Reach Promoters Private Limited** ("the Company") for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **NA**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **NA**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, ~~Overseas Direct Investment and External Commercial Borrowings~~;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **NA**
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable; **NA**

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

On the basis of management representation, recording in the minutes of Board of Directors and our check on test basis, we are on the view that the Company has ensured the compliance of laws applicable on it.

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

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

During the Audit Period all the Board decisions were carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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

Place: New Delhi

Date: 11/08/2023

For **ASHISH MISHRA & ASSOCIATES**

Company Secretaries

FRN: S2019DE708800

PR No. 3824/2023

Ashish
Mishra

Digitally signed
by Ashish Mishra
Date: 2023.08.11
17:42:54 +05'30'

(.....)

ASHISH MISHRA

(Proprietor)

M. No. F11524

C.P. No. 16125

UDIN: F011524E000785440

Walker Chandiok & Co LLP

L 41, Connaught Circus,
Outer Circle,
New Delhi – 110 001
India

T +91 11 45002219

F +91 11 42787071

Independent Auditor's Report

To the Members of Reach Promoters Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Reach Promoters Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view, in conformity with the Accounting Standards specified under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

Walker Chandio & Co LLP

Independent Auditor's Report on the Financial Statements of Reach Promoters Private Limited for the year ended 31 March 2023 (Cont'd)

statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards specified under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors are 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. 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 Standards on Auditing 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.
9. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

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Independent Auditor's Report on the Financial Statements of Reach Promoters Private Limited for the year ended 31 March 2023 (Cont'd)

- Conclude on the appropriateness of Board of Directors' 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; and
 - 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.
10. 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying financial statements;
 - 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 financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 with reference to financial statements of the Company as on 31 March 2023 and operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
 - 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 as at 31 March 2023.;

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Independent Auditor's Report on the Financial Statements of Reach Promoters Private Limited for the year ended 31 March 2023 (Cont'd)

- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
- iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 39(i) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 39(j) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2023;
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

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AGRAWAL

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AGRAWAL
Date: 2023.07.14
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Manish Agrawal

Partner

Membership No.: 507000

UDIN: 23507000BGYETF1296

Place: New Delhi

Date: 14 July 2023

Walker Chandio & Co LLP

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Reach Promoters Private Limited on the financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and capital work in progress.

(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment, and capital work in progress under which the assets are physically verified in a phased manner over a period of three year, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties held by the Company disclosed in note 11 and note 13 to the financial statements are held in the name of the Company. However, for title deeds of immovable properties in the nature of land situated at Gurugram Haryana with gross carrying values of Rs. 281.27 Million as at 31 March 2023, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the lender.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 39(b) to the financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crore, by bank on the basis of security of current assets during the year. Pursuant to the terms of the sanction letter, the Company is not required to file any quarterly return or statement with such bank.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance

Walker Chandio & Co LLP

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Reach Promoters Private Limited on the financial statements for the year ended 31 March 2023 (Cont'd)

of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act only in respect of specified services of the Company. For such services, we have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under the aforesaid section, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender. Further, the Company has an interest free loan amounting to Rs. 140.00 Million which is repayable on demand. Such loans have not been demanded for repayment as on date.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

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Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Reach Promoters Private Limited on the financial statements for the year ended 31 March 2023 (Cont'd)

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Accounting Standard (AS) 18, Related Party Disclosures specified in Companies (Accounting Standards) Rules, 2021 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (d) and (c) of the Order are not applicable to the Company.
- (d) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (d) and (c) of the Order are not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year but had incurred cash losses amounting to Rs. 153.76 Millions in the immediately preceding financial year.

Walker Chandiok & Co LLP

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Reach Promoters Private Limited on the financial statements for the year ended 31 March 2023 (Cont'd)

- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected date of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

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Date: 2023.07.14
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Manish Agrawal

Partner

Membership No.: 507000

UDIN: 23507000BGYETF1296

Place: New Delhi

Date: 14 July 2023

Walker Chandio & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Reach Promoters Private Limited on the financial statements for the year ended 31 March 2023

Annexure B

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Reach Promoters Private Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal financial controls with reference 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 ('the Guidance Note') 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 the Company's business, including adherence to the 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.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those

Walker Chandiok & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Reach Promoters Private Limited on the financial statements for the year ended 31 March 2023 (Cont'd)

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issue by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

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Manish Agrawal

Partner

Membership No.: 507000

UDIN: 23507000BGYETF1296

Place: New Delhi

Date: 14 July 2023

Reach Promoters Private Limited
Balance sheet as at 31 March 2023
(All amounts in INR Millions, unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
Equity and liabilities			
Shareholders' funds			
Share capital	2	90.71	90.71
Reserves and surplus	3	1,357.95	1,462.30
		1,448.66	1,553.01
Non current liabilities			
Long-term borrowings	4	2,858.03	2,616.66
Other long-term liabilities	5	376.85	186.48
Long-term provisions	6	3.46	3.47
		3,238.34	2,806.61
Current liabilities			
Short-term borrowings	7	85.42	46.80
Trade payables	8		
Total outstanding dues of micro and small enterprises		2.71	6.01
Total outstanding dues of creditors other than micro and small enterprises		19.90	27.33
Other current liabilities	9	171.11	69.47
Short-term provisions	10	3.13	0.85
		282.27	150.46
		4,969.27	4,510.08
Assets			
Non-current assets			
Property, plant and equipment	11	2,520.24	2,663.80
Intangible assets	12	-	-
Capital work-in-progress	13	1,798.62	1,083.44
Long-term loans and advances	14	133.35	140.59
Other non-current assets	15	137.72	195.01
		4,589.93	4,082.84
Current assets			
Trade receivables	16	76.11	67.37
Cash and bank balances	17	68.40	115.32
Short-term loans and advances	18	131.74	188.55
Other current assets	19	103.09	56.00
		379.34	427.24
		4,969.27	4,510.08

Summary of significant accounting policies

1.1

The accompanying notes form an integral part of these financial statements

This is the balance sheet referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

MANISH KUMAR AGRAWAL
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MANISH KUMAR AGRAWAL
Date: 2023.07.14
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Manish Agrawal
Partner
Membership No.: 507000

Place: New Delhi
Date: 14 July 2023

For and on behalf of the Board of Directors of
Reach Promoters Private Limited

KARIM KASIMALI MERCHANT
Digitally signed by
KARIM KASIMALI MERCHANT
Date: 2023.07.14
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Karim Merchant
Director
DIN - 05269691

Place: Mumbai
Date: 14 July 2023

PARAMJIT SINGH
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Date: 2023.07.14
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Paramjit Singh
Director
DIN - 01831634

Place: Gurugram
Date: 14 July 2023

Reach Promoters Private Limited
Statement of profit and loss for the year ended 31 March 2023
(All amounts in INR Millions, unless otherwise stated)

	Note	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Revenue from operations	20	510.17	213.87
Other income	21	15.86	21.12
		526.03	234.99
Expenses			
Employee benefits expense	22	45.14	39.46
Finance costs	23	100.75	104.94
Depreciation and amortisation	24	188.02	213.77
Other expenses	25	296.47	244.36
		630.38	602.53
Loss before tax		(104.35)	(367.54)
Tax expense			
Current tax		-	-
Deferred tax	27	-	-
Loss after tax		(104.35)	(367.54)
Earning per equity share	26		
Basic (INR)		(11.50)	(40.52)
Diluted (INR)		(11.50)	(40.52)
Summary of significant accounting policies	1.1		

The accompanying notes form an integral part of these financial statements

This is the statement of profit and loss referred to in our report of even date

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

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Date: 2023.07.14 16:10:10 +05'30'

Manish Agrawal

Partner

Membership No.: 507000

Place: New Delhi

Date: 14 July 2023

For and on behalf of the Board of Directors of
Reach Promoters Private Limited

KARIM KASIMALI MERCHANT
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Date: 2023.07.14 11:46:41 +05'30'

Karim Merchant

Director

DIN - 05269691

Place: Mumbai

Date: 14 July 2023

PARAMJIT SINGH
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Date: 2023.07.14 12:09:50 +05'30'

Paramjit Singh

Director

DIN - 01831634

Place: Gurugram

Date: 14 July 2023

Reach Promoters Private Limited
Statement of cash flow for the year ended 31 March 2023
(All amounts in INR Millions, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
A. Cash flow from operating activities		
Net loss before tax	(104.35)	(367.54)
Adjustments for:		
Depreciation and amortisation	188.02	213.77
Provision for employee benefits	2.28	0.37
Lease equalisation reserve as a lessee	-	(0.92)
Lease equalisation reserve as a lessor	47.01	21.21
Finance costs	100.75	104.94
Provision for doubtful receivables/advances	16.61	29.68
Unclaimed balances and excess provisions written back	(0.10)	(4.11)
Provision for doubtful receivables written back	(6.93)	(10.70)
Rates and taxes written off	-	1.64
Bad Debts/other receivables written off	0.07	0.76
Interest income on bank deposits	(4.54)	(4.42)
Interest income on income tax refund	(1.75)	(0.31)
Profit on sale of property, plant and equipment	-	(0.11)
Operating profit/loss before working capital changes	237.07	(15.74)
Adjustments for :-		
Changes in trade receivables	(9.32)	10.31
Changes in loans and advances and other assets	55.40	5.48
Changes in trade and other payables including provisions	175.05	(55.29)
Cash generated from / (used in) operations	458.20	(55.24)
Income tax paid (net)	(12.98)	(15.42)
Net cash generated from / (used in) operating activities	445.22	(70.66)
B. Cash from investing activities		
Movement in bank deposits (net)	(6.47)	121.12
Interest received	4.49	7.87
Purchase of property, plant and equipment (including capital work in progress and creditors for capital goods)	(602.15)	(103.65)
Proceeds from sale of property, plant and equipment	-	1.01
Net cash (used in) / generated from investing activities	(604.13)	26.35
C. Cash flow from financing activities		
Proceeds from long-term borrowings	369.36	123.00
Repayment of long-term borrowings	(89.37)	(0.64)
Interest paid	(152.00)	(105.19)
Net cash generated from financing activities	127.99	17.17
Cash generated from / (used in) operating activities	445.22	(70.66)
Cash flow (used in) / generated from investing activities	(604.13)	26.35
Cash flow generated from financing activities	127.99	17.17
Net decrease in cash and cash equivalents	(30.92)	(27.14)
Cash and cash equivalents at the beginning of the year	72.14	99.28
Cash and cash equivalents at the end of the year (refer note 17)	41.22	72.14
	(30.92)	(27.14)

Note: The above Statement of cash flow has been prepared under the indirect method as set out in Accounting Standard - 3 on "Cash Flow Statement".

Summary of significant accounting policies 1.1

The accompanying notes are an integral part of these financial statements

This is the statement of cash flows referred to in our report of even date

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

MANISH
KUMAR
AGRAWAL
Manish Agrawal

Partner

Membership No.: 507000

Place: New Delhi

Date: 14 July 2023

For and on behalf of the Board of Directors of
Reach Promoters Private Limited

KARIM
KASIMALI
MERCHANT

Karim Merchant
Director
DIN - 05269691

Place: Mumbai

Date: 14 July 2023

PARAMJ
IT SINGH

Paramjit Singh
Director
DIN - 01831634

Place: Gurugram

Date: 14 July 2023

Reach Promoters Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

1. Background of the Company

Reach Promoters Private Limited ("the Company") was incorporated on 14 July 2006 and is primarily engaged in the business of construction, development, leasing and operations of commercial and retail projects. The Company has two projects consisting of Office portion namely "Commercial" and Retail portion "Airia" divided into two phases i.e., Phase I (operational) and Phase II (under development).

1.1 Summary of significant accounting policies

a) Basis of accounting

The financial statements of the Company have been prepared in compliance with the accounting standards as specified under section 133 of the Companies Act, read with the Companies (Accounting Standard) Rules, 2021 (as amended). The financial statements have been prepared on going concern basis under the historical cost convention an accrual basis in accordance with the generally accepted accounting principles in India.

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company which is 12 months as per guidance as set out in Schedule III to the Companies Act, 2013.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest Millions (INR'000,000), except otherwise indicated. On account of the round off to the nearest multiples certain amounts round off to Zero.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

c) Property, plant and equipment

In accordance with Accounting Standard 10, Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any. Cost comprises the purchase price and any attributable / allocable cost of bringing the asset to its working condition for its intended use. The cost also includes direct cost and other related incidental expenses.

Building including related equipment are capitalised when the construction is substantially complete.

Subsequent costs are included in the asset's carrying amount, 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.

Borrowing costs relating to acquisition / construction / development of property, plant and equipment, which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced or scrapped. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other gains/ (losses).

Reach Promoters Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

The carrying amount of plant and equipment is reviewed periodically for impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of assets exceeds its recoverable amount.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'. Capital work in progress represents expenditure incurred in respect of capital projects under development and is carried at cost. Cost includes land, related acquisition expenses, construction cost, borrowing costs capitalized and other direct expenditure.

The Company has a regular program of physical verification of its property, plant and equipment under which they are verified in a phased manner over a period of three years.

d) Intangible assets

Software which are not integral part of the hardware are classified as intangibles and are stated at cost less accumulated amortisation and impairment (if any).

e) Depreciation and amortization

Depreciation on assets is provided on written down value method, computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013, on a pro-rata basis from the date the asset is ready to put to use subject to adjustments arising out of transitional provisions of Schedule II to the Companies Act, 2013.

Depreciation is calculated on a pro-rata basis from the date of acquisition/installation till the date the assets are sold or disposed of.

Assets individually costing less than INR 5,000 are fully written off in the year of acquisition.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

The estimated useful life and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Software are being amortised over the estimated useful life of three to five years, as applicable.

f) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the term of the contract, taken into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government or any discount/waiver, if any.

i) Rental income

Rental income from property leased under operating lease (excluding revenue share arrangements) is recognised in the statement of profit and loss on a straight-line basis over the non-cancellable lease period as estimated by the management.

Rental income under operating lease having revenue share arrangements is recognised as per the term of the contract.

ii) Maintenance and other service charges

Maintenance and service charges arising from operating leases/tenant are recognized as and when the services are rendered except in cases where ultimate collection is considered doubtful. The Company collects goods and service tax on behalf of the government and therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

iii) Interest income

Interest income on bank deposits is recognised on a time proportion basis considering the amount outstanding and the rate applicable.

Reach Promoters Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

iv) *Revenue from promotional levy*

Revenue from promotional levy which includes gift voucher are recognised and accounted for as per the terms specified in respective agreements except in cases where ultimate collection is considered doubtful.

v) *Unbilled revenue*

Contractual revenue under lease agreement which are not billed are recorded as unbilled receivables and is included in other current assets.

vi) *Parking Income*

Parking Income is accounted for on an accrual basis except in cases where ultimate collection is considered doubtful.

g) Foreign currency transactions

i. **Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Exchange differences arising on foreign currency transactions are recorded as income or expense in the period in which they arise.

ii. **Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

iii. **Exchange differences**

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recognised as income or as expense in the year in which they arise except those arising from investments in non-integral operations.

h) Taxation

Current tax

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Deferred tax

Deferred tax resulting from timing differences between taxable income and accounting income is accounted for at the current rate of tax or substantively enacted tax rates as at reporting date, to the extent that the timing differences are expected to crystallize.

Deferred tax assets are recognized where realization is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that such deferred tax assets will be realized. Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each reporting date.

Reach Promoters Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

i) Employee benefits

Gratuity

The Company's gratuity plan is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation done by an independent actuary at the year-end using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date. Actuarial gains and losses are recognised immediately in the statement of profit and loss.

Provident fund

The Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and (Miscellaneous Provisions) Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which services are rendered by the employee.

Other short-term employee benefits

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.

j) Provisions and contingencies

Provisions are recognized only when there is a present obligation, because of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

k) Leases

i) Where the Company is the lessee (i.e., rent expense where properties are taken on lease)

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on straight-line basis over the lease term.

ii) Where the Company is the lessor (i.e., rent income where properties given on lease)

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease.

Reach Promoters Private Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023**

Lease arrangements where the risk and rewards incident to ownership of an asset substantially vest with the lessor are recognised as operating lease. Assets subject to operating leases are included in Property, plant and equipment. The lease income recognised in the statement of profit and loss on a straight-line basis over the non-cancellable lease period as estimated by the management. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs etc. are recognised immediately in the statement of profit and loss except stamp duty cost which has been amortized over the lease lock in period.

l) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the statement of profit and loss.

m) Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of the assets, in accordance with notified Accounting Standard 16 "Borrowing Costs". A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

n) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events in accordance with Accounting Standard 20 "Earnings per share".

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

o) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term bank deposits with an original maturity of three months or less.

Reach Promoters Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in INR Millions, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
2. Share Capital		
Authorised		
12,000,000 equity shares (previous year 12,000,000 equity shares) of INR 10 each	120.00	120.00
1,310,000 class B equity shares (previous year 1,310,000 class B equity shares) of INR 10 each	13.10	13.10
	133.10	133.10
Issued, subscribed and fully paid up share capital		
9,070,546 equity shares (previous year 9,070,546) of INR 10 each fully paid up	90.71	90.71
	90.71	90.71

(a) Reconciliation of numbers of equity shares outstanding at the beginning and at the end of the year

Equity Shares	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount (in INR Mn)	Number of shares	Amount (in INR Mn)
At the beginning of the year	90,70,546	90.71	90,70,546	90.71
Outstanding at the end of the year	90,70,546	90.71	90,70,546	90.71

(b) Rights, preferences and restrictions attaching to various classes of shares

The Company has issued one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting except interim dividend if any. 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 equity shareholders.

No Class B Equity Shares were issued or outstanding as on March 31, 2023 (Nil as on March 31, 2022).

(c) Details of shares held by shareholders holding more than 5% shareholding in the Company.

Name of the shareholder	As at 31 March 2023		As at 31 March 2022	
	Number of shares held in the Company	% of shares held	Number of shares held in the Company	% of shares held
Equity shares				
Lake Shore India Retail Venture Fund	45,35,456	50.00	45,35,456	50.00
Harinder Singh Hora	29,39,927	32.41	29,39,927	32.41
Blackbear Limited	9,07,018	10.00	9,07,018	10.00

(d) Details of shares held by Promoters

Promoter Name	As at 31 March 2023			As at 31 March 2022		
	Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
Mr. Harinder Singh Hora	29,39,927	32.41	-	29,39,927	32.41	-
Mr. Ashok Raj Nath	3,86,645	4.26	-	3,86,645	4.26	-
Mr. Arjun Nath	3,00,000	3.30	-	3,00,000	3.30	-
Mr. Paramjit Singh	500	0.01	-	500	0.01	-
Red Infracon Private Limited	500	0.01	-	500	0.01	-
Devindu Buildcon Private Limited	500	0.01	-	500	0.01	-
Blackbear Limited	9,07,018	10.00	-	9,07,018	10.00	-
Lake Shore India Retail Venture Fund	45,35,456	50.00	-	45,35,456	50.00	-
Total	90,70,546	100.00		90,70,546	100.00	

(e) During the year ended 31 March 2018, the Company has allotted following aggregate number and class of shares as fully paid-up by way of bonus shares -

Name of the shareholder	Class of Equity shares	Number of bonus shares allotted
Harinder Singh Hora	Class B	12,50,000
Blackbear Limited	Class B	25

Reach Promoters Private Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023***(All amounts in INR Millions, unless otherwise stated)***(f) During the year ended 31 March 2020, the Company has bought back following aggregate number and class of shares -**

Name of the shareholder	Class of Equity shares	Number of shares bought back
Harinder Singh Hora	Class B	13,00,000
Blackbear Limited	Class B	26

(g) There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue and/or brought back in the current reporting year and in last five years immediately preceding the current reporting year except as disclosed above.

(h) Shares reserved for issue under options

For details of shares reserved for issue on conversion of compulsorily convertible debentures and optionally convertible debentures, please refer note 4.1 regarding terms of conversion of debentures.

3. Reserves and Surplus**Securities premium reserve**

Balance at the beginning of the year
Balance at the end of the year

As at 31 March 2023	As at 31 March 2022
2,374.48	2,374.48
2,374.48	2,374.48

Capital redemption reserve

Balance at the beginning of the year
Balance at the end of the year

13.00	13.00
13.00	13.00

Deficit in the statement of profit and loss

Balance at the beginning of the year
Less: Loss for the year
Balance at the end of the year

(925.18)	(557.64)
(104.35)	(367.54)
(1,029.53)	(925.18)
1,357.95	1,462.30

4. Long-term borrowings**Unsecured Loans****Optionally convertible debentures**

"Series A" (refer note 4.1 (a))
"Series B" (refer note 4.1 (b))

1,060.75	1,060.75
133.42	133.42

Compulsorily convertible debentures

"Series A" (refer note 4.1 (c))
"Series B" (refer note 4.1 (d))

219.25	219.25
186.67	186.67

Secured Loans

Term Loan from bank (refer note 4.2)
Less: Current maturities (refer note 7)

1,329.36	1,049.37
71.42	32.80
2,858.03	2,616.66

4.1 Repayment terms for the unsecured outstanding long-term borrowings as on 31 March 2023 and 31 March 2022 :

(a) 1,06,07,468 (31 March 2022 : 1,06,07,468) Series A Optionally Convertible Debentures (Series A OCD's) of face value of INR 100 each carrying interest rate 10.00%, p.a., compounded annually. Interest shall commence accruing and become payable from 1 April 2024 or as mutually agreed to between Mr. Harinder Singh Hora and Lake Shore India Retail Venture Fund. The debentures are optionally convertible at a price such that the Series A OCD holders shall get 1 (one) Equity Share for every 3.0828 (three point zero eight two eight) Series A OCDs held by them (into 34,40,855 (31 March 2022 : 34,40,855) equity share of face value of INR 10 each) 1 (one) Business Day prior to the expiry of tenure of 10 years from the date of first allotment of the Series A CCD, i.e. 16 April 2015 (Term). Unless converted or redeemed in accordance with the terms hereof, each Series A OCD shall be redeemed by the Company on the 1st (first) Business Day after the expiry of the Term.

(b) 13,34,234 (31 March 2022 : 13,34,234) Series B Optionally Convertible Debentures (Series B OCD's) of face value of INR 100 each carrying interest rate 10.00%, p.a., compounded annually. Interest shall commence accruing and become payable from 1 April 2024 or as mutually agreed to between Mr. Harinder Singh Hora and Lake Shore India Retail Venture Fund. The debentures are optionally convertible at a price such that the Series B OCD holders shall get 1 (one) Equity Share for every 4.018 (four point zero one eight) Series B OCDs held by them (into 3,32,065 (31 March 2022 : 3,32,065) equity share of face value of INR 10 each) 1 (one) Business Day prior to the expiry of tenure of 10 years from the date of first allotment of the Series A CCD, i.e. 16 April 2015 (Term). Unless converted or redeemed in accordance with the terms hereof, each Series B OCD shall be redeemed by the Company on the 1st (first) Business Day after the expiry of the Term.

(c) 21,92,472 (31 March 2022 : 21,92,472) Series A Compulsorily Convertible Debentures (Series A CCD's) of face value of INR 100 each carrying interest rate of 10.00%, p.a., compounded annually. Interest shall commence accruing and become payable from 1 April 2024 or as mutually agreed to between Mr. Harinder Singh Hora and Lake Shore India Retail Venture Fund. The debentures are convertible at a price such that the Series A CCD holders shall get 1 (one) Equity Share for every 3.0828 (three point zero eight two eight) Series A CCDs held by them (into 7,11,195 (31 March 2022 : 7,11,195) equity shares of face value of INR 10 each) 1 (one) Business Day prior to the expiry of tenure of 10 years from the date of first allotment of the Series A CCD, i.e. 16 April 2015.

Reach Promoters Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in INR Millions, unless otherwise stated)

(d) 18,66,716 (31 March 2022 : 18,66,716) Series B Compulsorily Convertible Debentures (Series B CCD's) of face value of INR 100 each carrying interest rate of 10.00%, p.a., compounded annually. Interest shall commence accruing and become payable from 1 April 2024 or as mutually agreed to between Mr. Harinder Singh Hora and Lake Shore India Retail Venture Fund. The debentures are convertible at a price such that the Series B CCD holders shall get 1 (one) Equity Share for every 4.018 (four point zero one eight) Series B CCDs held by them (into 4,64,588 (31 March 2022 : 4,64,588) equity shares of face value of INR 10 each) 1 (one) Business Day prior to the expiry of tenure of 10 years from the date of first allotment of the Series A CCD, i.e. 16 April 2015.

4.2 Repayment terms and security for the secured outstanding long term borrowings (including current maturities) as on 31 March 2023 and 31 March 2022:

Term loan from banks includes the following:

During the current year, the Company has taken sanction for a additional INR 1,200.00 million facility (including Overdraft Facility of INR 100.00 million and Bank Guarantee limit of INR 200.00 million), additionally the Company has also taken Adhoc Term Loan facility of INR 50.00 million which was repaid during the year. There was no change in sanctioned ECLGS facility of INR 123.00 million and LRD facility of INR 1,126.40 million (incl. Bank Guarantee limit of INR 100 million) and Working Capital term loan facility of INR 100.00 million loan from previous year to current year.

(a) Facility of INR 1,126.40 million, repayable in 108 monthly installment starting from 01 January 2023 to December 2031.

During the last financial year, the Company has converted term loan facility of INR 1,026.40 million (including conversion of monthly interest payable from 01 May 2020 to 31 July 2020 amounting INR 27.01 million as principal on account of availing the moratorium as per the RBI circular) into LRD facility of INR 1,026.40 million plus Bank Guarantee of INR 100 million. Out of which during current year, Company has taken remaining disbursement of INR 99.36 million. Company has made payment of INR 24.80 (out of which INR 18.18 million was pre-paid during August 2022 to December 2022 as per sanction terms and balance INR 6.62 paid as per schedule).

The aforesaid term loan having outstanding balance of INR 1,000.93 million (31 March 2022 : INR 926.37 million) is secured by way of :

- (i) First and exclusive charge by way of equitable mortgage on land admeasuring 6.26 acres (excluding the Commercial building already constructed along with the proportionate undivided land).
- (ii) Security Cover of 2.0 times.
- (iii) Hypothecation of all receivables and escrow of eligible receivables from the project 'Airia' properties provided as security.
- (iv) Amount equivalent to three months interest to be kept as term deposit with the lender.

Other terms & conditions are as follows :

- (i) Lease rentals to be used towards loan repayment (Interest & Principal).
- (ii) In case of sale / transfer of property 50% of inflows from sale/transfer of units shall be adjusted towards payment of outstanding liabilities (interest & principal).
- (iii) Rate of Interest : Applicable Kotak Mahindra Bank '6 months' MCLR (KMCLR) plus spread of 1.95% per annum (31 March 2022: '6 months' MCLR (KMCLR) plus spread of 1.95% per annum).

(b) Facility of INR 123.00 million working capital term loan by way of guaranteed Credit line under ECLGS scheme, repayable in 48 equated monthly installment starting from 01 October 2022 to 30 September 2036

The aforesaid term loan having outstanding balance of INR 110.24 million (31 March 2022 : INR 123.00 million) is secured by way of :

- (i) First and exclusive charge by way of equitable mortgage on land admeasuring 6.26 acres (excluding the Commercial building already constructed along with the proportionate undivided land).
- (ii) Hypothecation and escrow of eligible receivables from the project 'Airia'.
- (iii) Amount equivalent to three months interest on outstanding loan to be kept as term deposit with the lender.
- (iv) Rate of Interest : Applicable Kotak Mahindra Bank '1 year' MCLR (KMCLR) plus spread of 1% per annum (31 March 2022: '1 year' MCLR (KMCLR) plus spread of 1% per annum).

(c) Facility of INR 100.00 million as Working Capital Term Loan, repayable in 108 monthly installment starting from 01 January 2023 to June 2032

During the last financial year, the Company has taken sanction for INR 100.00 million for Working Capital term loan facility and the company has taken disbursement of this facility in June 2022

The aforesaid term loan having outstanding balance of INR 98.19 million (31 March 2022 : INR Nil) is secured by way of :

- (i) First and exclusive charge by way of equitable mortgage on land admeasuring 6.26 acres (excluding the Commercial building already constructed along with the proportionate undivided land).
- (ii) Security Cover of 2.0 times.
- (iii) Hypothecation and escrow of eligible receivables from the project 'Airia'.
- (iv) Amount equivalent to three months interest on outstanding loan to be kept as term deposit with the lender.
- (v) Rate of Interest : Applicable Kotak Mahindra Bank '6 months' MCLR (KMCLR) plus spread of 1.95% per annum (31 March 2022: Nil).

Reach Promoters Private Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023***(All amounts in INR Millions, unless otherwise stated)***(d) Facility of INR 1,200.00 million, repayable in 120 monthly installment starting from 01 April 2023 to March 2033**

During the current year, the Company has taken sanction for INR 1,200.00 million facility (including overdraft facility of INR 100 million and Bank Guarantee limit of INR 200.00 million), out of which company has taken disbursement of INR 120.00 million during the current year. The aforesaid term loan having outstanding balance of INR 120.00 million (31 March 2022 : INR Nil) is secured by way of:

- (i) First and exclusive charge by way of equitable mortgage on land admeasuring 6.26 acres (excluding the Commercial building already constructed along with the proportionate undivided land).
- (ii) Security Cover of 2.0 times.
- (iii) Hypothecation and escrow of eligible receivables from the project 'Airia'.
- (iv) Amount equivalent to three months interest on outstanding loan to be kept as term deposit with the lender.
- (v) Rate of Interest : Applicable Kotak Mahindra Bank '1 year' MCLR (KMCLR) plus spread of 1% per annum (31 March 2022: Nil).

	As at 31 March 2023	As at 31 March 2022
5. Other long-term liabilities		
Retention money	-	0.64
Capital creditors**	140.78	-
Security deposits	236.07	185.84
	376.85	186.48

** Includes External Development Charges to be paid in 12 equated quarterly installment starting from 27 September 2022 to 27 June 2025 of INR 28.16 mn each.

6. Long-term provisions

Provision for gratuity (refer note 30)	3.46	3.47
	3.46	3.47

7. Short-term borrowings**Secured loans**

Current maturities of long-term borrowings (refer note 4)	71.42	32.80
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Unsecured loans

Loan from related party (refer note 34) *	14.00	14.00
	85.42	46.80

* Loan from director is interest free and repayable on demand.

8. Trade payables

(A) Total outstanding dues of micro and small enterprises (refer note below)	2.71	6.01
(B) Total outstanding dues of creditors other than micro and small enterprises	19.90	27.33
	22.61	33.34

8.1. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006'):

Under the Micro, Small and Medium Enterprises Development Act, 2006, ('MSMED') which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2023	As at 31 March 2022
i) the principal amount & the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	2.71	6.01
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.04	0.04
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Reach Promoters Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in INR Millions, unless otherwise stated)
8.2. Trade payable ageing Schedules

As at 31 March 2023	Unbilled	Outstanding for following years from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More Than 3 years	
(i) Undisputed Dues- MSME	-	2.34	0.36	0.01	-	2.71
(ii) Undisputed Dues- Others	10.81	7.36	0.11	-	1.62	19.90
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

As at 31 March 2022	Unbilled	Outstanding for following years from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More Than 3 years	
(i) Undisputed Dues- MSME	-	5.80	0.21	-	-	6.01
(ii) Undisputed Dues- Others	11.29	13.89	0.53	-	1.62	27.33
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

	As at 31 March 2023	As at 31 March 2022
9. Other current liabilities		
Retention money	4.52	12.77
Security deposits	9.89	7.54
Statutory liabilities	12.46	8.48
Interest accrued but not due on loan	11.01	8.06
Interest accrued but not due on others	0.37	-
Capital Creditors (refer note 5)**	117.76	14.85
Amount payable for tenant improvements*	3.11	6.77
Advance received from customers	8.02	7.40
Employee benefits payable	3.97	3.60
	171.11	69.47

* This amount pertains to capitalisation work done by tenants of 'Airia' mall on behalf of the Company which will be adjusted subsequently from the lease rentals as rent rebates as per the lease agreements entered between the Company.

10. Short-term provisions

Provision for gratuity (refer note 30)	0.80	0.38
Provision for compensated absences	2.33	0.47
	3.13	0.85

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Reach Promoters Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in INR Millions, unless otherwise stated)

11. Property, plant and equipment

	Land	Building	Plant and Machinery	Office equipments	Furniture and fixtures	Computer and accessories	Motor vehicles	Total
Gross carrying value								
As at 1 April 2021	281.27	2,191.37	389.80	249.83	43.37	4.41	12.63	3,172.68
Additions	-	28.02	1.35	17.69	6.70	0.26	-	54.02
Disposals / Other adjustments	-	(3.59)	(0.51)	(3.13)	(0.11)	(0.39)	(12.63)	(20.36)
As at 31 March 2022	281.27	2,215.80	390.64	264.39	49.96	4.28	-	3,206.34
Additions *	-	39.58	2.46	4.08	4.11	0.31	-	50.54
Disposals / Other adjustments	-	(1.51)	(0.22)	(2.09)	-	-	-	(3.82)
As at 31 Mar 2023	281.27	2,253.87	392.88	266.38	54.07	4.59	-	3,253.06
Accumulated Depreciation								
As at 1 April 2021	-	149.29	91.67	70.78	15.25	3.50	11.47	341.96
Charge for the year	-	100.59	54.01	48.44	9.73	0.68	0.32	213.77
Disposals / Other adjustments	-	-	-	(0.93)	(0.10)	(0.37)	(11.79)	(13.19)
As at 31 March 2022	-	249.88	145.68	118.29	24.88	3.81	-	542.54
Charge for the year	-	96.94	44.40	38.05	8.32	0.31	-	188.02
Disposals / Other adjustments	-	2.26	-	-	-	-	-	2.26
As at 31 March 2023	-	349.08	190.08	156.34	33.20	4.12	-	732.82
Net carrying value								
As at 31 March 2022	281.27	1,965.92	244.96	146.10	25.08	0.47	-	2,663.80
As at 31 March 2023	281.27	1,904.79	202.80	110.04	20.87	0.47	-	2,520.24

* Addition in Building includes capitalisation of IGST pertaining to civil construction of INR 21.53 Mn. Also refer note 35.

Note

- Property, plant and equipment pledged as security (refer note 4.2)
- Refer note 29 for disclosures of contractual commitments for the acquisition of property, plant and equipment.

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Reach Promoters Private Limited
Summary of significant accounting policies and other explanatory information for the period ended 31 March 2023
(All amounts in INR Millions, unless otherwise stated)
12. Intangible Assets

	Computer software	Total
Gross carrying value		
As at 01 April 2021	0.21	0.21
Additions	-	-
Disposals / Other adjustments	0.21	0.21
As at 31 March 2022	-	-
Additions	-	-
Disposals / Other adjustments	-	-
As at 31 March 2023	-	-
Accumulated amortisation		
As at 01 April 2021	0.21	0.21
Charge for the year (refer note 24)	-	-
Disposals / Other adjustments	0.21	0.21
As at 31 March 2022	-	-
Charge for the year (refer note 24)	-	-
Disposals / Other adjustments	-	-
As at 31 March 2023	-	-
Net carrying value		
As at 31 March 2022	-	-
As at 31 March 2023	-	-

	As at 31 March 2023	As at 31 March 2022
13. Capital work-in-progress	1,798.62	1,083.44

Capital work-in-progress includes expenditure on land, development and construction of Phase I and Phase II of the retail project 'Airia', which is given below. Also, refer note 29 for Capital Commitments.

Land cost	844.63	844.63
Building hard cost (such as civil works, electrical works, fire fighting works, etc)	11.26	0.56
Fees and charges (such as license fees, labour cess, EDC, IDC charges, Consultants etc)	839.97	206.09
Finance cost	54.58	-
Others	48.18	32.16
	1,798.62	1,083.44

Note: Refer note 29 for disclosures of contractual commitments for the acquisition of property, plant and equipment.

13.1 Ageing schedule of capital work-in-progress

As at 31 March 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	715.18	16.98	41.30	1,025.16	1,798.62
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	16.98	41.30	1,025.16	-	1,083.44
Projects temporarily suspended	-	-	-	-	-

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Reach Promoters Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in INR Millions, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
14. Long-term loans and advances		
Unsecured, considered good		
Security deposit	9.11	8.42
Advance tax and tax deducted at source (net of provisions)	41.66	26.93
Capital advances	1.16	-
Balances with government authorities (refer note 35)	80.72	104.02
Prepaid expenses	0.70	1.22
Unsecured, considered doubtful		
Service tax refund receivable	10.02	10.02
Capital advances	3.58	-
Less: Provision for doubtful receivables	(13.60)	(10.02)
	133.35	140.59
15. Other non-current assets		
Lease equalisation reserve	98.39	179.17
Bank deposits with more than 12 months of original maturity (refer note 15.1 below)	38.21	15.73
Interest accrued and not due thereon:		
- on Bank deposits with more than 12 months of original maturity	1.12	0.11
	137.72	195.01
15.1. Deposits under lien		
- includes deposit amounting to INR 0.15 million (31 March 2022 : INR 0.15 million) under lien with VAT authorities against registration (part of other current assets).		
- includes deposit amounting to INR 37.86 million (31 March 2022 : INR 15.58 million) under lien with Kotak Mahindra bank against term loan facility.		
16. Trade receivables		
(unsecured, considered good, unless otherwise stated)		
Considered good	76.11	67.37
Considered doubtful	15.75	15.16
Less : Provision for doubtful receivables	(15.75)	(15.16)
	76.11	67.37

16.1. Trade Receivable ageing Schedules

As at 31 March 2023	Outstanding for following years from due date of payment						Total
	Unbilled	Less than 6 months	6 months-1 year	1-2 years	2-3 Years	More Than 3 Years	
(i) Undisputed Trade Receivables - Considered good	25.31	38.22	1.89	2.00	0.54	8.15	76.11
(ii) Undisputed Trade Receivables - Considered Doubtful	7.39	0.10	0.01	2.37	5.82	0.06	15.75
Less:- Provision for Doubtful Debt	(7.39)	(0.10)	(0.01)	(2.37)	(5.82)	(0.06)	(15.75)
(iii) Disputed Trade Receivable	-	-	-	-	-	-	-

As at 31 March 2022	Outstanding for following years from due date of payment						Total
	Unbilled	Less than 6 months	6 months-1 year	1-2 years	2-3 Years	More Than 3 Years	
(i) Undisputed Trade Receivables - Considered good	5.90	37.78	5.85	9.55	0.18	8.11	67.37
(ii) Undisputed Trade Receivables - Considered Doubtful	-	0.17	8.79	6.10	0.10	-	15.16
Less:- Provision for Doubtful Debt	-	(0.17)	(8.79)	(6.10)	(0.10)	-	(15.16)
(iii) Disputed Trade Receivable	-	-	-	-	-	-	-

Reach Promoters Private Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023***(All amounts in INR Millions, unless otherwise stated)*

	As at 31 March 2023	As at 31 March 2022
17. Cash and bank balances		
Cash and cash equivalents		
Cash on hand	0.12	0.22
Balances with banks		
In current accounts	41.04	67.93
Bank deposits with original maturity less than 3 months	0.06	3.99
Other bank balances		
Bank Deposits with original maturity more than 3 months but less than 12 months	27.18	43.18
	68.40	115.32
18. Short-term loans and advances		
(unsecured, considered good)		
Advance to vendors	0.86	3.66
Advances to employees	0.40	0.16
Balances with government authorities	121.68	173.23
Prepaid expenses	8.80	8.93
Security deposit	-	2.57
	131.74	188.55
Considered doubtful		
Advance to vendors	1.24	-
Less : Provision for doubtful receivables	(1.24)	-
	131.74	188.55
19. Other current assets		
(unsecured, considered good, unless otherwise stated)		
Considered good		
Other receivables	15.08	0.78
Interest accrued and not due on bank deposits	0.10	1.06
Lease equalisation reserve	86.75	52.98
Other assets	1.16	1.18
	103.09	56.00

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Reach Promoters Private Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023***(All amounts in INR Millions, unless otherwise stated)*

	Year ended 31 March 2023	Year ended 31 March 2022
20. Revenue from operations		
Operating revenue		
Lease rental income	302.40	106.03
Other operating revenue		
Income from maintenance services	182.24	98.96
Income from promotional levy	11.72	3.69
Others	13.81	5.19
	510.17	213.87
21. Other income		
Interest income:		
on bank deposits	4.45	4.42
on income tax refund	1.75	0.31
on others	0.09	-
Other non-operating income:		
Unclaimed balances and excess provisions written back	0.10	4.11
Provision for doubtful receivables written back	6.93	10.70
Profit on sale of property, plant and equipment (net)	-	0.11
Miscellaneous income	2.54	1.47
	15.86	21.12
22. Employee benefits expense		
Salary, wages and bonus	58.91	51.83
Contribution to provident fund and other funds (refer note 30.B)	1.06	1.23
Staff welfare	1.19	1.22
	61.16	54.28
Less: transferred to capital work-in-progress	(16.02)	(14.82)
	45.14	39.46
23. Finance costs		
Interest on:		
Term loan from banks	116.87	98.72
Delayed payment of taxes and Others	0.93	0.02
Other finance charges	37.53	6.20
	155.33	104.94
Less: transferred to capital work-in-progress	(54.58)	-
	100.75	104.94
24. Depreciation and amortisation		
Depreciation on tangible assets (refer note 11)	188.02	213.77
	188.02	213.77

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Reach Promoters Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in INR Millions, unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
25. Other expenses		
Rent	-	4.98
Rates and taxes	4.78	8.18
Legal and professional charges	16.41	14.04
Tour and boarding expenses	5.45	3.34
Insurance	8.76	9.16
House keeping services	24.16	18.65
Repair and maintenance	17.57	6.29
Brokerage and commission expenses	2.35	0.30
Business promotion expenses	48.66	43.99
Printing and stationery expenses	0.40	0.35
Recruitment and training expenses	0.25	0.19
Electricity, water and generator expenses	84.53	52.17
Membership and subscription	0.03	0.28
Security expenses	20.15	15.76
Facility management expenses	41.47	31.21
Communication expenses	2.30	2.56
Bad debts written off	-	0.09
Provision for doubtful receivables/advances	16.61	29.68
Auditors remuneration (excluding goods and service tax)		
Statutory audit	1.05	1.10
Tax audit	0.30	0.25
Certification and other services	0.37	0.23
Out-of-pocket expenses	0.20	0.04
Miscellaneous expenses	0.67	1.52
	296.47	244.36

26. Earning per share
Earnings attributable to equity shareholders

Loss for the year for equity share holders	(104.35)	(367.54)
Weighted average number of equity shares outstanding during the year (Basic)	90,70,546	90,70,546
Weighted average number of shares for dilution	49,48,702	49,48,702
Weighted average number of equity shares outstanding during the year (Dilutive)	1,40,19,248	1,40,19,248
Nominal Value of equity share (in INR)	10	10
Basic Earning (loss) per share (in INR)	(11.50)	(40.52)
Diluted Earning (loss) per share* (in INR)	(11.50)	(40.52)

**Potential equity shares are anti-dilutive in nature, hence they have not been considered for calculating weighted average number of equity shares used to compute diluted earnings per share.*

	As at 31 March 2023	As at 31 March 2022
27. Deferred taxes (net)		
Deferred tax liabilities arising on account of :		
Written down value of property, plant and equipment and intangible assets	58.44	113.12
Lease equalisation reserve	46.60	58.43
	105.04	171.55
Deferred tax assets arising on account of :		
Unabsorbed depreciation	91.83	164.48
(to the extent of net deferred tax liabilities)		
Provision on doubtful receivables	11.40	5.98
Impact of expenditure charged to the statement of profit and loss but allowed for tax purposes on payment basis including gratuity and leave encashment	1.81	1.09
	105.04	171.55
Deferred tax liabilities / assets recognized	-	-

** As per Accounting Standard 22, "Accounting for taxes on income", the Company would have deferred tax asset balance as at 31 March 2023. However, the Company has recognized the deferred tax assets to the extent of Deferred Tax Liabilities and balance Deferred Tax Assets has not been given effect on a prudent basis.*

Reach Promoters Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in INR Millions, unless otherwise stated)
28. Contingent liabilities

(a) The Payment of Bonus (Amendment) Act, 2015 dated 31 December 2015 (which was made effective from 01 April 2014) revised the thresholds for coverage of employee eligible for bonus and also enhanced the ceiling limits for computation of bonus. However, taking cognizance of the stay granted by various High Courts, the Company has not recognised any differential amount of bonus for the period 01 April 2014 to 31 March 2015 and accordingly has recognised the expense as per the amended provisions w.e.f. 01 April 2015 and onwards.

(b) Contingent liability relating to determination of provident fund liability, based on judgement from Hon'ble Supreme Court, is not determinable at present for the period prior to March 2019, due to uncertainty of the impact of the judgement in the absence of further clarification relating to applicability. The company has started complying with this prospectively from the month of March 2019. The Company will continue to assess any further developments in this matter for its implication on the financial statements, if any.

29. Capital commitments

The Company is committed to incurring capital expenditure of INR 49.59 million as on 31 March 2023 (31 March 2022 : INR 30.29 million).

30. Employee Benefits
A. Gratuity (unfunded)
Amount recognised in the statement of profit and loss

	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	0.45	0.78
Interest cost	0.28	0.23
Actuarial (gain) / loss recognized during the year	(0.01)	0.14
Total	0.72	1.15

Movement in the defined benefit obligation

	As at 31 March 2023	As at 31 March 2022
Present value of defined benefit obligation as at the start of the year	3.85	3.50
Interest cost	0.28	0.23
Current service cost	0.45	0.78
Acquisition/Divestiture	0.48	-
Benefits paid	(0.79)	(0.80)
Actuarial gain on plan liabilities	(0.01)	0.14
Present value of defined benefit obligation as at the end of the year	4.26	3.85

Amount recognized in Balance Sheet

	As at 31 March 2023	As at 31 March 2022
Present value of defined benefit obligation as at the end of the year	4.26	3.85
Net Liability recognized in Balance Sheet	4.26	3.85

Break-up of present value of defined benefit obligation as at the end of the year

	As at 31 March 2023	As at 31 March 2022
Non-current	3.46	3.47
Current	0.80	0.38
Total	4.26	3.85

For determination of the gratuity liability of the Company, the following actuarial assumptions were used

	31 March 2023	31 March 2022
Discount Rate	7.35%	6.92%
Rate of increase in compensation levels	10.00%	10.00%

Description	31 March 2023	31 March 2022	31 March 2021	31 March 2020	31 March 2019
Present value of obligation	4.26	3.85	3.50	4.51	3.39
Expense recognized in the statement of profit and loss	0.72	1.15	(0.88)	1.12	0.22
Actuarial gain on plan liabilities	0.01	(0.14)	1.94	0.29	1.06

B. Provident fund

Contribution made to provident and other funds during the year INR 1.06 million (31 March 2022 : INR 1.23 million).

Reach Promoters Private Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023***(All amounts in INR Millions, unless otherwise stated)***31. Segment Reporting**

The Company is primarily engaged in the business of construction, development, leasing and operations of commercial space, which as per Accounting Standard – 17 on “Segment Reporting” as specified under section 133 of Companies Act, 2013 read with Companies (Accounting Standard) Rules, 2021 (as amended) is considered to be the only reportable business segment. The Company is primarily operating in India which is considered as a single geographical segment.

32. Expenditure in foreign currency (on accrual basis)

Consultancy charges

31 March 2023 31 March 2022

2.89 0.52

2.89 0.52**33. Information required to be disclosed under Accounting Standard 19 on “Leases”****As lessee -**

The Company’s significant leasing arrangements are in respect of operating leases for premises. These legal arrangements which are non-cancellable are usually renewable by mutual consent. The aggregate lease rentals payable are charged as rent in the statement of profit and loss.

31 March 2023 31 March 2022**Minimum lease payments for assets taken on lease are as under**

Not later than one year

- -

Later than one year but not later than five years

- -

Later than five years

- -

Lease payment made for the year recognized in the statement of profit and loss

- 4.98

As lessor -

The Company has leased out various premises in its retail project “Airia” on operating leases during the current period.

31 March 2023 31 March 2022**Minimum lease rent receivable in respect of such operating leases ***

Not later than one year

194.93 153.72

Later than one year but not later than five years

229.66 435.86

Later than five years

- -

Lease income for the year recognized in the statement of profit and loss

121.28 59.94

* The above disclosure is limited to only fixed lease payments for the non-cancellable lease term with the lessees and does not include rental revenue based on revenue share as the same cannot be determined.

34. Related party disclosures

Disclosures in respect of Accounting Standard (AS) - 18 ‘Related Party Disclosures’, as specified under Section 133 of the Companies Act, 2013, read with Companies (Accounting Standard) Rules, 2021 (as amended):

A) Related party relationships

i) Entities under common control of key management personnel (‘KMP’) (with whom there were transactions during the current and/or previous year):

Realistic Realtors Private Limited
 Usetech Buildwell Private Limited
 Ojos Developers Private Limited
 Lake Shore India Management Private Limited
 Devindu Buildcon Private Limited
 Red Infracon Private Limited
 Torna Developers Private Limited

ii) Enterprise which directly control the reporting enterprise

Lake Shore India Retail Venture Fund

iii) Key management personnel (KMP):

Mr. Harinder Singh Hora, Director
 Mr. Paramjit Singh, Director
 Mr. Scott Scher Eisenberg, Director
 Mr. Karim Merchant, Director (w.e.f. Feb 27, 2023)
 Mr. Ashwin Puri, Director (till Feb 27, 2023)

iv) Relatives of KMP (with whom there were transactions during the current and previous year):

Mr. Harpreet Singh Hora (Brother of Harinder Singh Hora, Director)
 Mr. Ramandeep Singh Mokha (Son of Paramjit Singh, Director)

Reach Promoters Private Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023**

(All amounts in INR Millions, unless otherwise stated)

B) Transactions with /outstanding balance of enterprises over which KMP have significant influence:

Particulars	Enterprises over which KMP have significant influence	
	31 March 2023	31 March 2022
Transactions during the year		
<i>Sale of Motor Vehicle:</i>		
Ojos Developers Private Limited	-	0.78
<i>Rent paid:</i>		
Realistic Realtors Private Limited	-	5.90
<i>Brokerage / Software expense paid:</i>		
Realistic Realtors Private Limited	-	0.05
<i>Professional fees:</i>		
Lake Shore India Management Private Limited	18.00	13.50
<i>Reimbursement of expenses:</i>		
Lake Shore India Management Private Limited	1.54	2.08
<i>Sale/Transfer of Property, Plant and Equipment:</i>		
Lake Shore India Management Private Limited	0.01	-
<i>Gratuity Transfer:</i>		
Lake Shore India Management Private Limited	0.49	-
<i>Support Services:</i>		
Torna Developers Private Limited	0.38	-

Balances outstanding at the year end:		
<i>Trade payables:</i>		
Lake Shore India Management Private Limited	-	1.81
Realistic Realtors Private Limited	-	0.21
<i>Other Current Assets:</i>		
Ojos Developers Private Limited	-	0.78
<i>Optionally convertible debentures "Series A":</i>		
Red Infracon Private Limited	131.75	131.75
Devindu Buildcon Private Limited	119.47	119.47
<i>Optionally convertible debentures "Series B":</i>		
Red Infracon Private Limited	110.00	110.00
Devindu Buildcon Private Limited	18.02	18.02
<i>Security deposit receivable:</i>		
Realistic Realtors Private Limited	-	2.57
<i>Trade receivables:</i>		
Usetech Buildwell Private Limited	0.60	0.60
Torna Developer Private Limited	0.38	-

Reach Promoters Private Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023**

(All amounts in INR Millions, unless otherwise stated)

C) Transactions with /outstanding balance of enterprises which directly control the reporting enterprise:

Particulars	Enterprises that directly control the reporting enterprise	
	31 March 2023	31 March 2022
Balances payable at the year end		
<i>Optionally convertible debentures "Series A":</i>		
Lake Shore India Retail Venture Fund	640.00	640.00
<i>Optionally convertible debentures "Series B":</i>		
Lake Shore India Retail Venture Fund	5.40	5.40
<i>Compulsorily convertible debentures "Series B":</i>		
Lake Shore India Retail Venture Fund	154.65	154.65

D) Transactions with /outstanding balance of Key management personnel and their relatives:

Particulars	Key management personnel and their relatives	
	31 March 2023	31 March 2022
Balances outstanding at the year end		
<i>Compulsorily convertible debentures "Series A":</i>		
Harinder Singh Hora	91.25	91.25
<i>Optionally convertible debentures "Series A":</i>		
Harinder Singh Hora	54.00	54.00
Paramjit Singh	19.85	19.85
<i>Trade receivables:</i>		
Paramjit Singh	0.05	0.05
Harpreet Singh Hora	0.11	0.11
Ramandeep Singh Mokha	0.05	0.05
<i>Short term borrowing:</i>		
Harinder Singh Hora	14.00	14.00

Reach Promoters Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in INR Millions, unless otherwise stated)

35. During the year ended 31 March 2020, the Company had received Occupancy Certificate ('OC') for its commercial mall 'Airia'. Subsequently upon receipt of OC and completion of commercial mall, the Company had carried out capitalization of its capital work-in progress to property, plant and equipment. During capitalization, the Company had reclassified Goods and Service Tax ('GST') input credit incurred on construction of mall from capital work-in-progress to long term loans and advances as input receivables, basis the judgment rendered by the Hon'ble High Court, Orissa in the case of M/s. Safari Retreats Private Limited, cited as 2019 (5) TMI 1278, against which the department has filed an appeal before the Hon'ble Supreme Court of India, which is presently pending. Accordingly, the Company has availed GST input credit comprises of IGST, CGST and SGST, pertaining to construction of Company's mall 'Airia' for the purpose of letting out of the same to numerous tenants and lessees, amounting to INR 95.43 million (31 March 2022 : INR 116.70 million). Basis the legal advice received by the management of the Company, they are of the view that such GST input credit will be available to the Company. However, the Company will not utilize such GST input credit till the time the judgement of Hon'ble Supreme Court of India is made in respect of this matter. As an abundant cautious, the Company has made a provision for the year of INR 2.02 million (31 March 2022 : INR 5.23 million) which otherwise the Company would have to incur as expense, had such GST input credit not shown as advance. Further, based on the internal assessment, the management of the Company has capitalised the input credit relating to IGST amounting to INR 21.53 million (accumulated provision till date INR 2.26 million) to the property, plant and equipment.

36. Financial Ratios

Particulars	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variation	Reasons
(a) Current Ratio, Represents the current assets of the company as against the current liabilities.	Current Assets	Current liabilities	1.34	2.84	-53%	Current liabilities increased significantly due to increase in amount of current maturity of Long term borrowings and current portion of EDC Payable.
(b) Debt-Equity Ratio, Represents relationship between external liability and internal equity.	Total Debt	Shareholders equity	2.03	1.72	18%	Not Applicable
(c) Debt Service Coverage Ratio, Indicates that the business has enough income to comfortably cover loan principal and interest payments.	Earnings available for debt service	Debt Service	0.06	(0.02)	440%	Impact of increase in total revenue.
(d) Return on Equity Ratio, Represents the total return on equity capital.	Net Income	Shareholders equity	(0.07)	(0.21)	67%	Impact of increase in total revenue.
(e) Trade receivables turnover ratio, Represents liquidity of receivables.	Net Credit Sales	Average Accounts Receivables	7.11	2.98	139%	Impact of increase in total revenue in comparison to previous year.
(f) Trade Payables turnover ratio, Represents Number of time creditors are paid	Net Credit Purchases	Average Trade Payables	10.00	6.27	59%	Impact of increase in total purchases in comparison to previous year.
(g) Net capital turnover ratio, Measures the efficiently by which the company is using its working capital in the business.	Net Sales	Working Capital	2.73	1.31	109%	Impact of increase in revenue in comparison to previous year.
(h) Net profit ratio, Relationship between net profit after tax and net sales.	Net Profit after Tax	Net Sales	(0.20)	(1.72)	88%	Impact of increase in total revenue.
(i) Return on Capital employed, Represents company's profitability and capital efficiency.	Earning before interest and tax	Tangible net worth+ total debt + deferred tax liability	(0.00)	(0.06)	99%	Impact of increase in total revenue.

37. In the opinion of the Board of Directors, current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known / expected liabilities have been made.
38. The Company has not surpassed the criteria as specified under sub-section (1) of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, therefore the disclosure required under CSR is not applicable on the Company.

Reach Promoters Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in INR Millions, unless otherwise stated)

39. Other Disclosure as per Schedule III

- (a) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988.
- (b) The Company has working capital facilities from banks on the basis of security among other including trade receivable. Pursuant to sanction letter, company is not required to submit statement of current assets with the bank.
- (c) The Company not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (d) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
- (e) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (f) There is no income surrendered or disclosed income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded.
- (g) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (h) The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.
- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (j) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- (k) The Company does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
40. The figures of the previous year have been re-grouped / re-classified to render them comparable with the figures of the current year. The impact of the same is not material to the user of the financial statements.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

MANISH KUMAR
AGRAWAL

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Date: 2023.07.14 16:11:32
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Manish Agrawal

Partner

Membership No.: 507000

Place: New Delhi

Date: 14 July 2023

For and on behalf of the Board of Directors of

Reach Promoters Private Limited

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KASIMALI
MERCHANT

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MERCHANT
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Karim Merchant

Director

DIN - 05269691

Place: Mumbai

Date: 14 July 2023

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Paramjit Singh

Director

DIN - 01831634

Place: Gurugram

Date: 14 July 2023