



Mukund & Rohit Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To The Members of

Neptune realty private limited

Report on the audit of the standalone financial statements

Opinion

We have audited the standalone financial statements **NEPTUNE REALTY PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss, and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit and its cash flows for the year ended on that date.

Basis for Opinion

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



Emphasis of Matter

We draw attention to **Note No. 39** of the accompanying financial statements which states the impact of the Coronavirus Disease 2019 (COVID-19) on the operations of the company. Our opinion is not modified on this matter.

Other Information

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

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

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

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

1. 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.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate Internal Financial Controls System in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



5. Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The reports on the accounts of the branch offices of the Company audited under Section 143 (8) of the Act is not attached since the Company has no branch.
 - (d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial **Refer Note 29** to the financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, as may be applicable.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Mukund & Rohit
Chartered Accountants
Firm's Registration No. 113375W



Rohit Kothari
Partner

UDIN : 21038908AAAAAG8477

Place : Vadodara

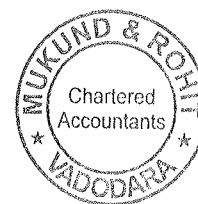
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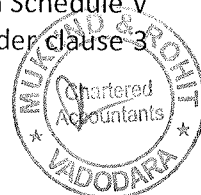
ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in our Independent Auditors' Report to the members of **NEPTUNE REALTY PRIVATE LIMITED** ("the Company") on the financial statements for the year ended 31st March, 2020, we report that:

- i. (a) In our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) The Company has a regular program of physical verification of Property, Plant and Equipment. Which, in our opinion is reasonable. The assets which were to be covered as per the said program have not been physically verified by the management during the year. As the management has not carried out any verification during the year, we are unable to comment whether the discrepancies, if any, are material.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. According to the information and explanations given to us the inventory has been physically verified by the Management during the year and in our opinion, the frequency of verification is reasonable. As explained to us, no material discrepancies were noticed on physical verification of inventories as compared to the book records.
- iii. (a) In our opinion and according to the information and explanations given to us, the Company has granted unsecured loans to an entity in which directors are members, a Partnership Firms, a Limited Liability Partnership and two Companies covered in the register maintained under Section 189 of the Companies Act, 2013.
- (b) In our opinion and according to the information and explanations given to us, the terms and conditions on which loans have been granted to an entity in which directors are members, a Partnership Firms, a Limited Liability Partnership and two Companies listed in the register maintained under section 189 of the Act are not prima facie, prejudicial to the interest of the Company.
- (c) In our opinion and according to the information and explanations given to us, the terms and conditions of the loans granted do not involve the schedule of repayment of principal and payment of interest, therefore we are unable to comment upon the provisions of clause (iii) (b) and (c) of the Order.



- iv. According to the information and explanations given to us, we are of the opinion that the Company has granted loans to persons in whom directors are interested which is not in accordance with the provisions of section 185 of the Act. The maximum amount outstanding during the year and amount outstanding as at 31st March, 2020 with respect to an entity in which directors are members is ₹ 1,23,79,502 and ₹ Nil Respectively, to one partnership firms in which directors are partners is ₹ 22,64,75,205 and ₹ Nil respectively, to a Limited Liability Partnership Firm in which directors are partners is ₹ 1,70,69,067 and ₹ 1,70,69,067 respectively and to two private companies in which directors are directors is ₹ 63,80,531 and ₹ 63,80,531 respectively. Further, the Company has complied with the provisions of Section 186 of the Act in respect of loans, investments, guarantees and security to the extent applicable to it.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder and therefore, reporting under clause (v) of the Order is not applicable to the Company.
- vi. According to the information and explanation given to us, the Company has maintained Cost Records prescribed by the Central Government pursuant to Section 148 (1) of the Companies Act, 2013. We have broadly viewed the books of accounts maintained by the company pursuant to the rules prescribed by the central government for maintenance of cost records under section 148(1) of the Companies Act, 2013. However, we have not made a detailed examination of the records.
- vii. (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Good and Service Tax, cess and any other statutory dues to the appropriate authorities and no statutory dues were outstanding, as at 31st March, 2020 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no disputed due in respect of Income Tax or Sales Tax or Service Tax or duty of customs or duty of excise or value added tax or cess, which have not been deposited on account of any dispute.
- viii. Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of dues to banks and financial institutions. The Company does not have any loans or borrowings from government or by way of debentures.
- ix. Based on our audit procedures and as per the information and explanations given by the management, Company has not raised money by initial public offer or further public offer (including debt instruments) and term loans during the period covered by our audit report.
- x. Based on the audit procedure performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.
- xi. The Company being a private company hence the provisions of section 197 read with Schedule V relating to Managerial Remuneration are not applicable and therefore, reporting under clause 3 (xi) of the Order is not applicable to the Company.



- xii. In our opinion and according to information and explanations given to us, the Company is not a Nidhi company. Accordingly, reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. Based on our scrutiny of Company's record and according to the information and explanation provided by the management, in our opinion, section 177 of the Companies Act, 2013 is not applicable to the Company. Further, All transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards **at Note 32** of financial statements.
- xiv. Based on our examination of records and information provided to us by management, we report that the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. Based on our examination of records and information provided to us by management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi) of Companies (Auditor's Report) Order, 2016 are not applicable.

For Mukund & Rohit
Chartered Accountants
Firm's Registration No. 113375W



Rohit Kothari
Partner

Membership No.038908
UDIN : 21038908AAAAAG8477



Place : Vadodara
Date : 29/12/2020

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

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

Opinion

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

For Mukund & Rohit
Chartered Accountants
Firm's Registration No. 113375W


Rohit Kothari
Partner

Membership No.038908
UDIN : 21038908AAAAAG8477



Place : Vadodara
Date : 29/12/2020