

Independent Auditor's Report

To the Members of Arete Real Estate Developers Private Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Arete Real Estate Developers Private Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement for the year then ended, notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (herein after referred as "financial statements").

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 as amended ('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 31st March 2021 and its Loss, including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing 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 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 we have fulfilled our other ethical requirements in accordance with these requirements and the ICAI's code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Material Uncertainty relating to Going Concern

We draw attention to the following matters in the Notes to the financial statements

- a) Note No.9.5 in the financial statements which indicates that the Company has accumulated losses and its net worth is fully eroded, the Company has incurred loss during the current and previous year(s) and the Company's current liabilities exceeded its current asset as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.



Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined there are no matters described below to be the key audit matters to be communicated in our report.

Emphasis of Matter

The Management is neither collecting interest nor recovering the advance given as intercorporate loans of Rs. 49.40 lakhs. There has to be some underlying commercial element behind the transactions.

Our opinion is not modified in this regard.

Information Other than Financial Statements and Auditor`s Report thereon

The Company`s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board`s Report including Annexures to Board`s Report and Shareholder`s information, 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 financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Financial Statements.

The Company`s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 including other comprehensive income, changes in equity and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the



Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management of Company 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 the Management of Company either intends to liquidate the Company or to cease operations, or has no realistic alternative to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of 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 it 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 be reasonably be expected to influence the economic decision of the 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:

- 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 system in place and the operating effectiveness of such controls.



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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We decide these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements – Refer Note No. 9.2
 - ii. The Company did not have long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for **B. Sujeet & Co.**

Chartered Accountants

Firm's Registration number: 009308S

Sujeet Kumar

B. Sujeet Kumar

Proprietor

Membership number: 209547

Hyderabad

14th June, 2021



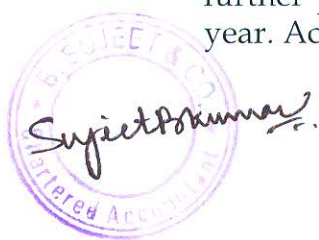
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Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2021, we report that:

- (i) The Company does not have any fixed assets during the year. Hence paragraph 3(i) of the Order is not applicable to the Company.
- (ii) The Company is a real estate company and has inventory of land bank. The Management has conducted physical verification of the inventory at regular intervals and found no material discrepancy on such verification.
- (iii) The Company has not granted loans to any Body Corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Thus, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not complied with the Section 185 and 186 of the Companies Act, 2013 with regard to the disclosure of the loans in the financial statements.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31st March 2021 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 dues of duty of customs or any tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.



- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration during the year. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for B Sujeet & Co.

Chartered Accountants

Firm's registration number: 009308S

Sujeet Kumar

B Sujeet Kumar

Proprietor

Membership number: 209547



Hyderabad

14th June, 2021

Annexure - B to the 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 Arete Real Estate Developers Private Limited ("the Company") as of 31 March 2021 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, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



Sujet Kumar

statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

We draw attention to the following:

- a) The Company does not have any employees and all the operations are being carried out by the employees of the Ultimate Holding Company. Hence there is no internal control framework in place in the Company.
- b) The Company did not follow up on collection of its advances given thereby running the potential risk of default by the borrowers.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility



that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide the basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2020.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer does not affect our opinion on the financial statements of the Company.

For B Sujeet & Co.

Chartered Accountants

Firm's Registration Number: 009308S

Sujeet Kumar

B Sujeet Kumar

Proprietor

Membership Number: 209547

Hyderabad.

14th June, 2021



ARETE REAL ESTATE DEVELOPERS PRIVATE LIMITED
Corporate Identification Number: U70102TG2007PTC052656
Balance Sheet as at March 31, 2021

	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
	ASSETS			
(1)	Non Current Assets			
	(a) Property, Plant and Equipment		-	-
	(b) Capital work-in-progress		-	-
	(c) Investment Property		-	-
	(d) Financial Assets			
	(i) Investments		-	-
	(ii) Trade receivables		-	-
	(iii) Other financial assets		-	-
	Total Financial Asset		-	-
	(d) Other non current assets	2	9,29,70,720	9,29,70,720
	Total Non Current Assets		9,29,70,720	9,29,70,720
(2)	Current assets			
	(a) Inventories		-	-
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade receivables		-	-
	(iv) Loans	3	49,40,251	73,10,375
	(v) Cash and cash equivalents	4	8,800	8,800
	Total Financial Asset		49,49,051	73,19,175
	(c) Other current assets			
	Total Current Assets		49,49,051	73,19,175
(3)	Non current assets classified as held for sale		-	-
	Total Assets		9,79,19,771	10,02,89,895
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share Capital	5	1,00,000	1,00,000
	(b) Other Equity		9,53,26,072	9,76,80,496
	Total Equity		9,54,26,072	9,77,80,496
	LIABILITIES			
(1)	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings		-	-
	(ii) Trade payables		-	-
	Total Financial Liabilities		-	-
	(b) Other non current liabilities		-	-
	Total Non Current Liabilities		-	-
(2)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	6	24,73,999	24,73,999
	(ii) Trade payables	7	19,700	35,400
	Total Financial Liabilities		24,93,699	25,09,399
	(b) Other current liabilities		-	-
	Total Current Liabilities		24,93,699	25,09,399
(3)	Liabilities associated with non current assets held for sale		-	-
	Total Equity and Liabilities		9,79,19,771	10,02,89,895

Significant Accounting Policies

1

The accompanying notes form an integral part of the financial statements
As per our report of even date attached.

For M/s. B SUJEET & CO.,
CHARTERED ACCOUNTANTS
Firm Registration No. 009308S

For and on behalf of the Board of Directors

Sujeet Kumar

B SUJEET KUMAR
Proprietor
Membership No. 209547



C.S.N. Prasad

C.S.N. Prasad
Director
DIN - 07882618

A. Praveen Kumar

A. Praveen Kumar
Director
DIN - 08569194

Place: Hyderabad
Date: June 14, 2021

ARETE REAL ESTATE DEVELOPERS PRIVATE LIMITED
Corporate Identification Number: U70102TG2007PTC052656
Statement of Profit and Loss for the Year Ended March 31, 2021

	Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
I	Revenue from Operations			
II	Other Income		-	-
III	Total Income (I + II)		-	-
IV	Expenses			
	Employee Benefit Expense and Payment to Contractors			
	Finance Costs		-	-
	Depreciation and Amortisation			
	Other Operating and General Expenses	8	24,24,924	24,53,688
	Total expenses (IV)		24,24,924	24,53,688
V	Profit Before Tax and Exception items (III - IV)		(24,24,924)	(24,53,688)
VI	Exceptional Items		-	-
VII	Profit/ (Loss) Before Tax (V - VI)		(24,24,924)	(24,53,688)
VIII	Tax Expenses			
	Current Tax		-	-
	Deferred Tax		-	-
	Minimum Alternative Tax Credit		-	-
	Tax relating to earlier years			
	Total		-	-
IX	Profit for the year after tax (VII - VIII)		(24,24,924)	(24,53,688)
X	Other Comprehensive income, net of tax			
	(A) Items that will not be reclassified subsequently to profit and loss			
	Change in fair value of loans		-	-
	Change in fair value of equity instruments designated irrevocably as FVTOCI		-	-
	Less :-income tax expense		-	-
	(B) Items that will be reclassified subsequently to profit and loss			
	Currency translation difference (net)		-	-
			-	-
	Other Comprehensive income for the year, net of tax		-	-
XI	Total Comprehensive Income for the year (IX - X)		(24,24,924)	(24,53,688)
XII	Earnings Per Share	9		
	Basic and Diluted - (Rs.)		(242.49)	(245.37)
	Face Value per Ordinary share - (Rs.)		10.00	10.00

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For M/s. B SUJEET & CO.,
CHARTERED ACCOUNTANTS
Firm Registration No. 009308S

For and on behalf of the Board of Directors

B SUJEET KUMAR
Proprietor
Membership No. 209547



C.S.N. Prasad
Director
DIN - 07882618

A. Praveen Kumar
Director
DIN - 08569194

Place: Hyderabad
Date: June 14, 2021

ARETE REAL ESTATE DEVELOPERS PRIVATE LIMITED
Corporate Identification Number: U70102TG2007PTC052656
Cash Flow Statement For The Year Ended March 31, 2021

Particulars	31-03-2021	31-03-2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	(24,24,924)	(24,53,688)
Adjustments for:		
Interest paid	-	-
Advances writte off	-	43,400
Provision for Doubtful advances	23,70,124	23,70,125
Adjustment of Interest Income embeded in loan	-	-
Operating Profit Before Working Capital changes	(54,800)	(40,163)
Adjustments for:		
Increase/(Decrease) in Trade Payables	(15,700)	17,700
Increase/(Decrease) in Other Current Liabilities	-	-
(Increase)/Decrease in Long Term Loans & Advances	-	-
(Increase)/Decrease in Other Financial Assets	-	-
(Increase)/Decrease in Other Non - Current Assets	-	-
(Increase)/Decrease in Short Term Loans & Advances	-	-
Cash Generated from Operations	(70,500)	(22,463)
Direct Taxes paid		
Net Cash from Operating Activities	(70,500)	(22,463)
B. CASH FROM INVESTING ACTIVITIES		
Interest Earned	-	-
Dividend Earned	-	-
Net Cash used in Investing Activities	-	-
C. CASH FROM FINANCING ACTIVITIES		
Proceeds From Long Term Borrowings	70,500	22,463
Proceeds of Short Term Borrowings	-	-
Net Cash from Financing Activities	70,500	22,463
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	8,800	8,800
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	8,800	8,800
Components of Cash and Cash Equivalents		
Cash and cheques on Hand	-	-
Balances with Banks		
-On Current Accounts	8,800	8,800
-On Deposit Accounts		
Cash and cash Equivalent (as per Note 3)	8,800	8,800

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For B Sujeet & Co.

Chartered Accountants

Firm Regn No. 009308S

Sujeet Kumar
B Sujeet Kumar
Proprietor
M.No: 209547



Place: Hyderabad

Date: June 14, 2021

For and on behalf of the Board of Directors

C.S.N. Prasad
C.S.N. Prasad
Director
DIN - 07882618

A. Praveen Kumar
A. Praveen Kumar
Director
DIN - 08569194

ARETE REAL ESTATE DEVELOPERS PRIVATE LIMITED
Corporate Identification Number: U70102TG2007PTC052656
Statement of Changes in Equity for the Year Ended March 31, 2021

Particulars	Equity Share Capital	Reserves & Surplus	Other Comprehensive Income	Equity component of Parent Company	Total Equity attributable to equity holders of the company
Balance as on 31st March 2019	1,00,000	-9,59,58,058	-	19,60,69,779	10,01,11,721
Transferred to General Reserve	-	-	-	-	-
Remeasurement of the loans	-	-	-	22,463	22,463
Remeasurement of the net defined benefit liability/ asset, net of tax effect	-	-	-	-	-
Profit for the period	-	-24,53,688	-	-	(24,53,688)
Balance as on 31st March 2020	1,00,000	(9,84,11,746)	-	19,60,92,242	9,76,80,496
Transferred to General Reserve	-	-	-	-	-
Remeasurement of the loans	-	-	-	70,500	70,500
Remeasurement of the net defined benefit liability/ asset, net of tax effect	-	-	-	-	-
Profit for the period	-	-24,24,924	-	-	(24,24,924)
Balance as on 31st March 2021	1,00,000	(10,08,36,670)	-	19,61,62,742	9,53,26,072

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.
For M/s. B SUJEET & CO.,
CHARTERED ACCOUNTANTS
Firm Registration No. 0093085

Sujeet Kumar
B SUJEET KUMAR
Proprietor
Membership No. 209547

Place: Hyderabad
Date: June 14, 2021

For and on behalf of the Board of Directors

C.S.N. Prasad
C.S.N. Prasad
Director
DIN - 07882618

A. Praveen Kumar
A. Praveen Kumar
Director
DIN - 08569194

ARETE REAL ESTATE DEVELOPERS PRIVATE LIMITED
Corporate Identification Number: U70102TG2007PTC052656
Notes to Balance Sheet as at March 31, 2021

	Particulars	As at 31st March 2021	As at 31st March 2020
Note: 2	NON CURRENT ASSETS		
	Other Non Current Assets		
	Inventory of Land	9,29,70,720	9,29,70,720
		<u>9,29,70,720</u>	<u>9,29,70,720</u>
Note: 3	Loans		
	Short Term Loans		
	Loans to Other Parties	2,00,000	2,00,000
	Unsecured, Considered Doubtful		
	Other Loans & Advances	1,95,31,500	1,95,31,500
	Less: Provision for bad debts	(1,47,91,249)	(1,24,21,125)
		<u>49,40,251</u>	<u>73,10,375</u>
Note: 4	CASH AND CASH EQUIVALENTS		
	Cash in hand	-	-
	(as certified by management)		
	Balance with banks in current accounts	8,800	8,800
		<u>8,800</u>	<u>8,800</u>
Note: 5	SHARE CAPITAL		
	(A) Authorised, Issued, Subscribed and Paid-up share capital and par value per share		
	Authorised Share Capital		
	10,000 Equity Shares of Rs. 10/- each	1,00,000	1,00,000
	Issued, Subscribed and Paid Up		
	10,000 Equity Shares of Rs. 10/- each	1,00,000	1,00,000
		<u>1,00,000</u>	<u>1,00,000</u>
	(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:		
	Number of equity shares outstanding as at the beginning of the year	10,000	10,000
	Add: Number of Shares allotted during the year	-	-
	Less: Number of Shares bought back	-	-
	Number of equity shares outstanding as at the end of the year	<u>10,000</u>	<u>10,000</u>
	(C) Rights, preferences and restrictions attaching to various classes of shares	NIL	NIL
	(D) Shareholding in the company of the holding company and ultimate holding company and their subsidiaries / associates		
	PVP Global Ventures Private Limited and it's nominees	10,000	10,000
	(E) Shares in the company held by each shareholder holding more than 5%:		
	Name of shareholder	No of shares at year end	
	PVP Global Ventures Private Limited and it's nominees	10,000	10,000
		<u>10,000</u>	<u>10,000</u>
	Name of shareholder	% as at year end	
	PVP Global Ventures Private Limited and it's nominees	100	100
		<u>100</u>	<u>100</u>



ARETE REAL ESTATE DEVELOPERS PRIVATE LIMITED
Corporate Identification Number: U70102TG2007PTC052656
Notes to Balance Sheet as at March 31, 2021

Particulars	As at 31st March 2021	As at 31st March 2020
(F) Shares reserved for issue under options and contracts:	NIL	NIL
(G) Commitments for sale of shares/ divestment	NIL	NIL
(H) Details of allotment of shares for consideration other than cash, allotments of bonus shares and shares bought back	NIL	NIL
(I) The Company has only one class of shares issued and paid-up capital referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.		
(J) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after payment of all external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.		

Note: 6

Current Liabilities

Financial Liabilities

Borrowings

(Unsecured)

Loans to Related parties

Intercompany Loans

	-
24,73,999	24,73,999
24,73,999	24,73,999

Note: 7

TRADE PAYABLE

Sundry Creditors for services

19,700	35,400
19,700	35,400



ARETE REAL ESTATE DEVELOPERS PRIVATE LIMITED
Corporate Identification Number: U70102TG2007PTC052656
Notes to the Statement of Profit & Loss Account for the Year Ended March 31, 2021

	Particulars	31-Mar-21	31-Mar-20
Note: 8	Other Expenses		
	Rates and taxes	5,100	8,100
	Payment to statutory auditors	-	-
	as Audit fee	17,700	17,700
	Legal, professional and consultancy	32,000	14,300
	Bank Charges	-	3
	Other Office Expenses	-	60
	Advances Written off	-	43,400
	Provision for Doubtfull Advaces	23,70,124	23,70,125
		<u>24,24,924</u>	<u>24,53,688</u>

