



**4th September, 2020**

**The General Manager,  
Department of Corporate Services  
BSE Limited  
First Floor, New Trading Ring,  
Rotunda Building, P. J. Towers,  
Dalal Street , Fort  
Mumbai- 400001**

**The Secretary  
The Calcutta Stock Exchange Limited  
7, Lyons Range  
Kolkata - 700001**

**Sub: Annual Report for the Financial Year ended 31st March, 2020**

**Ref: Max Heights Infrastructure Limited (Scrip Code: 534338)**

We enclose, in terms of Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, a copy of the Annual Report of the Company for the Financial Year ended 31st March, 2020 together with the Notice dated 14th August, 2020 convening the 39th Annual General Meeting (AGM) of the Company on 28th September, 2020 through Video Conference/ Other Audio-Visual Means.

The Annual Report and AGM Notice are also being uploaded on the Company's Website **[www.maxheights.com](http://www.maxheights.com)**.

This is for your kind information and records.

**For Max Heights Infrastructure Limited,**

**VANDITA  
ARORA**

Digitally signed by VANDITA ARORA  
DN: c=IN, o=Personal, postalCode=110035,  
st=Delhi,  
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Date: 2020.09.04 12:09:04 +05'30'

**Vandita Arora  
Company Secretary  
Membership No: 61149**



# **39TH ANNUAL REPORT 2019-2020**



**MAX HEIGHTS INFRASTRUCTURE LIMITED**  
**CORPORATE INFORMATION**

Chairman	:	Mr. Satish Chander Narang
Managing Director & Chief Financial Officer	:	Mr. Naveen Narang
Non-Executive Directors	:	Ms. Mansi Narang (Non-Independent) Mr. Kartar Chand Ahuja (Independent) Mr. Jawahar Lal (Independent) Mr. Ashok Ahuja (Independent)
Company Secretary	:	Ms. Vandita Arora
Statutory Auditor	:	M/s Praveen Om Jain & Co. Chartered Accountants New Delhi
Registered Office	:	SD-65, Tower Apartment, Pitampura, New Delhi - 110034 Ph. No.: 011-27314646, 27312522, Fax: 011-27315115 Website: <a href="http://www.maxheights.com">www.maxheights.com</a> Email Id: <a href="mailto:info@maxheights.com">info@maxheights.com</a>
Details of RTA	:	Skyline Financial Services Private Limited D-153/A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi - 110020 Ph. No.: 64732681, 64732682, Fax: 011-26812682 Email Id: <a href="mailto:admin@skylinerta.com">admin@skylinerta.com</a>

The Equity Shares of the Company are listed at BSE Limited & The Calcutta Stock Exchange Limited (CSE)

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## NOTICE

Notice is hereby given that the Thirty Ninth (39th) Annual General Meeting ('AGM') of the Members of **Max Heights Infrastructure Limited** will be held on **Monday, the 28th day of September, 2020 at 01: 00 P.M.** through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in conformity with the regulatory provisions and circulars issued by the Ministry of Corporate Affairs (MCA), to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements (Standalone as well as Consolidated) for the Financial Year ended 31st March, 2020 including the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Satish Chander Narang (DIN: 00095693), who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS**

3. **To approve Re-appointment of Mr. Naveen Narang (DIN: 00095708) as the Managing Director of the Company.**

**To Consider and if thought fit, to pass the following resolution for the as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) for the time being in force, and the Articles of Association of the Company, and other applicable provisions, if any, the consent of the members be and is hereby accorded for the re-appointment of Mr. Naveen Narang (DIN: 00095708) as the Managing Director of the Company for a further period of two years with effect from 5th February, 2020, on the terms and conditions duly approved by the members in the 37th Annual General Meeting of the Company. Further his office shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto."

**By Order of the Board  
For MAX HEIGHTS INFRASTRUCTURE LIMITED**

**Sd/-  
Vandita Arora  
Company Secretary  
M.No.: 61149**

**Date : 14th August, 2020  
Place : New Delhi  
Regd. Off.: Max Heights Infrastructure Limited  
SD-65, Tower Apartment, Pitampura,  
New Delhi- 110034.  
CIN:L67120DL1981PLC179487  
E-Mail ID: info@maxheights.com**

**Notes:**

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("The Act") in respect of the Special Business to be transacted at the AGM is annexed hereto.
2. In view of the prevailing situation due to COVID-19 global pandemic, the present AGM has been convened through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') in compliance with applicable provisions of the Act read with Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020 and 20/2020 dated 5th May, 2020 issued by The Ministry of Corporate Affairs ('MCA') in this regard. Since this AGM will be held through VC / OAVM, Members will not be able to appoint proxies for this meeting. Further, Attendance Slip and Route Map are not being annexed to this Notice.
3. Corporate Members are requested to send a scanned copy (in PDF / JPG format) of the Board Resolution authorising their representatives to attend the AGM, pursuant to Section 113 of the Act, through e-mail at **cs@maxheights.com**.
4. The Register of Members and the Share Transfer Book of the Company shall remain closed from Friday, 25th September, 2020 to Monday, 28th September, 2020 (both days inclusive).
5. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and SS-2 i.e. Secretarial Standards on General Meetings in respect of the Directors seeking appointment/reappointment at the Meeting is annexed to the Notice as **Annexure-A**.
6. In conformity with the applicable regulatory requirements, the Notice of this AGM and the Annual Report and Annual Accounts 2020 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories. Further, In line with the MCA Circular No. 17/2020 dated 13th April, 2020, the Notice calling the 39th AGM along with the complete Annual Report, for the financial year 2019-20, will be uploaded on the website of the Company at **www.maxheights.com**. The Notice can also be accessed from the websites of the Stock Exchange i.e. Bombay Stock Exchange Limited (BSE) at **www.bseindia.com**. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-voting facility and e-voting system during the AGM) i.e. **www.evotingindia.com**.
7. Relevant Documents referred to in the accompanying Notice, Registers and all other statutory documents will be made available for inspection in the electronic mode. Members can inspect the same by sending a request to the Company's email ID i.e. **info@maxheights.com**.
8. The Members can attend and participate in the ensuing AGM through VC / OAVM. The detailed Instruction for attending AGM through VC / OAVM is annexed to the Notice as **Annexure-B**.
9. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and MCA Circulars dated 8th April, 2020, 13th April, 2020 and 5th May, 2020, the Company is providing facility of remote e-voting (the facility to cast vote prior to the AGM) and also e-voting during the AGM to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of

the AGM will be provided by CDSL. The detailed instruction for remote E-Voting & E-Voting at AGM is annexed to the Notice as **Annexure-C**.

10. Ms. Kavita, Practicing Company Secretary [Membership No. F9115], being a partner of M/s A. K. Nandwani & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process (remote as well as at the time of AGM) in a fair and transparent manner.
11. The remote e-voting period commences on **Friday, 25th September, 2020 at 09:00 A.M and ends on Sunday, 27th September, 2020 at 5:00 PM**. During this period, Members holding shares either in physical form or demat form, as on **21st September, 2020 i.e. cut-off date**, may cast their vote electronically. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
12. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall be only entitled to avail facility of remote e-voting and poll process at the venue of the meeting. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and is holding shares as on the cut-off date, may cast vote after following the instructions for e-voting as provided in the Notice convening the Meeting, which is available on the website of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting then you can use your existing User ID and password for casting vote.
13. The Results of voting will be declared within 48 hours from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's website [www.maxheights.com](http://www.maxheights.com) and on the website of CDSL i.e., [www.evotingindia.com](http://www.evotingindia.com) immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited [BSE], where the equity shares of the Company are listed.

#### **14. REQUEST TO MEMBERS**

- (i) Members who have not registered their e-mail addresses with the Company so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Circulars, etc. from the Company electronically. Members holding shares in demat form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service [NECS], Electronic Clearing Services [ECS] mandates, nominations, power of attorneys, change in address, change of name, email address, contact numbers, etc. to their respective Depository Participant [DP]. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agents (RTA) to provide efficient and better services. Members holding shares in dematerialised form are requested to register / update their e-mail addresses with the relevant Depositories.
- (ii) Members are requested to inform the Company's RTA i.e. Skyline Financial Services Private Limited, D-153/A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi- 110020, about the changes, if any, in their registered address along with Pin Code, quoting their Folio number and

DP ID. All correspondence relating to transfer of shares may be sent directly to the aforesaid RTA of the Company or by sending email specifying the same at [admin@skylinerta.com](mailto:admin@skylinerta.com).

- (iii) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the RTA, for consolidation into a single folio.
- (iv) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members respective DP with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / RTA.

15. If you have any queries or issues regarding attending AGM & e-voting from the e-voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-2305 8738) or Mr. Mehboob Lakhani (022-2305 8543) or Mr. Rakesh Dalvi (022-2305 8542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-2305 8542/43.



**“ANNEXURE A TO THE NOTICE”**

DISCLOSURE PURSUANT TO THE REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AND SECRETARIAL STANDARDS ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA ('ICSI'), INFORMATION IN RESPECT OF THE DIRECTORS SEEKING RE-APPOINTMENT/APPOINTMENT AT THE ENSUING AGM, IS PROVIDED HEREIN BELOW:

Name of the Director	Mr. Satish Chander Narang	Mr. Naveen Narang
Age	72 years	43 years
Date of Appointment by the Board of Directors	13th March, 2008	13th March, 2008
Brief Resume and nature of expertise in functional areas	Possesses appropriate skills, experience and knowledge, inter alia, in the field of real estate.	Possesses appropriate skills, experience and knowledge, inter alia, in the field of Real Estate.
Disclosure of relationship with other Directors, Manager and other Key Managerial Personnel of the Company inter-se	Mr. Naveen Narang - Son; Ms. Mansi Narang – Daughter- in- Law	Mr. Satish Chander Narang - Father; Ms. Mansi Narang – Wife
Terms and conditions of appointment or re-appointment	N.A.	Duration of Appointment- 2 years  Remuneration: Payable in the scale of ₹ 5,00,000/- per month (inclusive of all the perquisites). In addition to this, he shall also be entitled to the following:  i. Contribution to the Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly, or put together are not taxable under the Income tax Act, 1961;  ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;  iii. Encashment of leave at the end of the tenure;  iv. The usage of the car, including the salary for driver, Telephone expenses (the mobile phone & the telephone at residence) utilized for the official purpose.
The remuneration last drawn	Nil	₹ 2,00,000/- (Per Month)
The number of Meetings of the Board attended during the year	7	7
Directorships held in other listed Companies	Nil	Nil
Memberships / Chairmanships of Committees of other listed Companies	Nil	Nil
Number of shares held in the Company	17,36,251	38,63,894

## ANNEXURE: B TO THE NOTICE

### INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC / OAVM through the CDSL e-voting system. Shareholders may access the same at <https://www.evotingindia.com> under the shareholders / members login by using the remote e-voting credentials. The link for VC / OAVM will be available in shareholder / members login where the EVSN of Company will be displayed.
2. The Skyline Financial Services Private Limited, Registrar and Share Transfer Agent (RTA), of the Company will be providing VC / OAVM Services.
3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Members who would like to ask questions during the AGM may send their questions from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [info@maxheights.com](mailto:info@maxheights.com) until Monday, 21st September, 2020 (6:00 P.M. IST).
7. Those shareholders who have registered themselves as the speakers, will only be allowed to express their views/ask questions during the meeting.
8. The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to only 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on the account of first come first served basis.
9. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
10. Pursuant to the MCA Circular No. 14/2020 dated 8th April, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

## ANNEXURE: C TO THE NOTICE

### THE INTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on Friday, 25th September, 2020 at 09:00 A.M and ends on Sunday, 27th September, 2020 at 5:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Monday, 21st September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
- (iii) The shareholders should log on to the e-voting website **www.evotingindia.com**.
- (iv) Click on “**Shareholders**” module.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.OR

Alternatively, if you are registered for CDSL's EASI / EASIEST e-services, you can log-in at **<https://www.cdslindia.com>** from Login – My easi using your login credentials. Once you successfully log-in to CDSL's EASI / EASIEST e-services, click on e-voting option and proceed directly to cast your vote electronically.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha -numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA.</li></ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li></ul>

- (ix) After entering these details appropriately, click on “**SUBMIT**” tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES / NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- (xx) Those who become members of the Company after dispatch of the Notice but on or before the Cut-off Date may follow the instruction from S.no. (i) - to (xix) mentioned above for casting their vote.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE E-MAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

- (i) Shareholders holding share(s) in dematerialized form, are requested to register their email addresses and mobile numbers with their relevant depositories through their depository participants.
- (ii) Shareholders holding share(s) in physical mode are requested to furnish their email addresses and mobile numbers with the Company's Registrar and Share Transfer Agent (Skyline Financial Services Private Limited) by sending email at [admin@skylinerta.com](mailto:admin@skylinerta.com) .

## INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
3. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/ OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
5. Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to **www.evotingindia.com** and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; **info@maxheights.com** (designated email address of the Company), if they have voted from the individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

## **Explanatory Statement pursuant to the provisions of section 102 of the Companies Act, 2013**

### **Item No.3:**

Since the term of the Managing Director expired on 5th February, 2020, The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee and subject to the consent of the members of the Company, in their meeting held on 28th September, 2020, re-appointed Mr. Naveen Narang (DIN: 00095708) as the Managing Director of the Company for a further period on 2 years, with effect from 5th February, 2020 on the remuneration and other terms and conditions as already approved by the members in 37<sup>th</sup> Annual General Meeting. Brief resume of Mr. Naveen Narang, nature of his expertise in specific functional areas and names of other listed companies in India in which he holds directorships and details of memberships / chairmanships of Board Committees of the listed companies in India and other details is enclosed with the notice. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Naveen Narang is re-appointed as the Managing Director. Save and except Mr. Naveen Narang and his relatives, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice. The Board recommends this Resolution for your approval.

**By Order of the Board  
For MAX HEIGHTS INFRASTRUCTURE LIMITED**

**Sd/-  
Vandita Arora  
Company Secretary  
Membership No. - 61149**

**Date : 14th August, 2020  
Place : New Delhi**

**Max Heights Infrastructure Limited Regd.  
Off.: SD-65, Tower Apartment,  
Pitampura, New Delhi-110034.  
CIN: L67120DL1981PLC179487  
E-Mail ID: [info@maxheights.com](mailto:info@maxheights.com)**

## **BOARD'S REPORT**

To  
The  
Members of  
Max Heights Infrastructure Limited.

Your Directors have pleasure in presenting the 39th Directors' Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended 31st March, 2020.

### **1. FINANCIAL HIGHLIGHTS AND STATE OF COMPANY'S AFFAIRS**

#### **a) FINANCIAL RESULTS**

**(Amount in ₹)**

Particulars	Standalone		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Total Income	3,51,63,426.00	5,90,17,503.00	43,99,25,235.82	45,86,00,182.37
Total Expenses	3,04,99,865.27	5,01,56,800.84	42,10,59,466.98	43,53,79,119.91
<b>Profit / Loss before tax</b>	<b>46,63,560.73</b>	<b>88,60,702.16</b>	<b>1,88,65,768.84</b>	<b>2,32,21,062.46</b>
<b>Tax Expenses</b>				
Current Tax	10,89,050.00	23,14,220.00	46,77,110.00	59,91,520.00
Earlier years tax	0.00	0.00	0.00	0.00
Deferred Tax	(23,020.00)	(10,440.00)	(1,21,31.16)	(52,687.46)
<b>Profit / Loss after Tax</b>	<b>35,97,530.73</b>	<b>65,56,922.16</b>	<b>1,42,00,790.00</b>	<b>1,71,76,854.50</b>
Net Profit Transferred to Reserves	0.00	0.00	0.00	0.00
<b>Earnings per share</b>				
Basic	0.23	0.42	0.83	0.83
Diluted	0.23	0.42	0.83	0.83

**(b) (i) Highlights of the Company's Performance (Standalone) for the year ended 31st March, 2020 are as under:**

During the year, the Company recorded a Total Revenue of ₹ 3,51,63,426.00/- (previous year ₹ 5,90,17,503.00/-). The Company recorded a Net Profit of ₹ 35,97,530.73/- during the financial year ended 31st March, 2020 as compared to a Net Profit of ₹ 65,56,922/- in the previous year.

(ii) **Highlights of the Company's Performance (Consolidated) for the year ended 31st March, 2020 are as under:**

During the year, the Company recorded a Total Consolidated Revenue of ₹ 43,99,25,235.82/- (previous year ₹ 45,86,00,182.37/-). The Company recorded a Net Profit of ₹ 1,42,00,790.00/- during the financial year ended 31st March, 2020 as compared to a Net Profit of ₹ 1,71,76,854.50/- in the previous year.

**(C) Segment-wise position of business and its operations;**

**(Amount in ₹)**

Particulars			Standalone		Consolidated	
			Year ended	Previous Year Ended	Year ended	Previous Year Ended
			31.03.2020	31.03.2019	31.03.2020	31.03.2019
1	Segment Revenue (net sale / income from each segment should be disclosed under this head)					
	(a)	Segment - Real Estate	300.73	517.96	4,289.61	4,211.37
	(b)	Segment - Finance	50.86	72.13	94.47	110.34
	(c)	Segment - Shares	-	-	-	-
	<b>Total</b>		<b>351.59</b>	<b>590.09</b>	<b>4,384.08</b>	<b>4,321.71</b>
	<b>Less: Inter Segment Revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Revenue From Operations</b>		<b>351.59</b>	<b>590.09</b>	<b>4,384.08</b>	<b>4,321.71</b>
2	Segment Results (Profit (+) Loss (-) before tax and interest from each segment)					
	(a)	Segment - Real Estate	115.57	135.35	633.80	1,043.81
	(b)	Segment - Finance	50.86	72.13	94.47	110.34
	(c)	Segment - Shares	-	-	-	-
	<b>Total Profit before tax</b>		<b>166.43</b>	<b>207.48</b>	<b>728.27</b>	<b>1,154.15</b>
	Less:	(i) Finance Cost	19.99	(21.69)	(356.85)	(422.06)
		(ii) Other Un-allocable Expenditure net off unallocable income	99.79	(97.18)	(182.76)	(499.90)
	<b>Profit Before Tax</b>		<b>46.65</b>	<b>88.61</b>	<b>188.66</b>	<b>232.19</b>
3	Capital Employed (Segment assets - segment Liabilities)					
	(a)	Segment - Real Estate	2,437.06	2,217.33	3,448.42	3,081.17
	(b)	Segment - Finance	444.22	622.25	1,049.09	954.14
	(c)	Segment - Shares	-	-	-	-
	<b>Total Capital Employed</b>		<b>2,881.28</b>	<b>2,839.58</b>	<b>4,497.51</b>	<b>4,035.31</b>



**(d) Share Capital**

The Authorised Share Capital as at 31st March, 2020 stood at ₹17,00,00,000/- (Rupees Seventeen Crores only) divided into 1,70,00,000 ( One Crore Seventy Lakh) equity shares of ₹ 10/- (Ten) each and the paid up Equity Share Capital as on 31st March, 2020 stood at ₹15,60,92,250/- (Rupees Fifteen Crore Sixty Lakh Ninety Two Thousand Two Hundred and Fifty only) divided into 1,56,09,225 (One Crore Fifty Six Lakh Nine Thousand Two Hundred and Twenty Five) equity shares of ₹ 10/- (Ten) each. During the year under review there was no change reported.

**(e) Transfer to Reserves in Terms of Section 134 (3) (J) of The Companies Act, 2013 ('The Act')**

For the Financial Year ended 31st March, 2020, the Company has not proposed to carry any amount to the General Reserve Account.

**(f) Dividend**

During the year under review, the Board of Directors has not recommended dividend on the equity shares of the Company, due to meager profit in the financial year 2019-20.

**(g) Material Changes and Commitments**

In the start of the Month of March, 2020 COVID -19 was gripping India and the Prime Minister announced the National Lockdown from 25th March, 2020 and it continued till 31st May, 2020 due to outbreak of COVID-19 Pandemic. The Financials Market witnessed the large scale depression. Further during the period of National Lockdown all employees have been advised to Work from Home where their job duty permits it, until further Notice by the Management.

There are no material changes from the end of Financial Year till the date of this report.

**2. PUBLIC DEPOSITS**

During the year under report, your Company did not accept any deposits from the public within the ambit of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

**3. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**(a) Changes in Directors and Key Managerial Personnel as on the date of this report**

- i. During the year under review, there was no change in the Directors of your Company.
- ii. **Appointment and Resignation of Company Secretary and Compliance Officer:**
  - Ms. Gitika Arora resigned from the post of Company Secretary and Compliance Officer of the Company with effect from 14th June, 2019.
  - Ms. Vandita Arora was appointed as the Company Secretary and Compliance Officer with effect from 31st December, 2019.

**(b) Retirement by rotation**

In terms of the provisions of Section 152(6) of the Act and the Articles of Association of the Company, Mr. Satish Chander Narang (DIN: 00095693), retires by rotation at the ensuing Annual General Meeting ('AGM') of the Company and, being eligible, offers himself for re-appointment. Your Board has recommended his re-appointment.

**(c) Code of conduct of Board of Directors and Senior Management**

The Company has formulated a Code of Conduct for Directors and Senior Management Personnel. Further, the Board of Directors and Senior Management Personnel have fully complied with the provisions of the Code of Conduct of Board of Directors and Senior Management of the Company during the Financial Year ending 31st March, 2020.

**(d) Declaration of Independence by the Independent Directors**

A declaration from Mr. Jawahar Lal, Mr. Kartar Chand Ahuja and Mr. Ashok Ahuja, the Independent Directors of your Company has been received confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

Framework for Familiarization Programme for the Independent Directors and the Familiarization Programmes imparted to independent directors are made available on the website of the Company at web link <http://www.maxheights.com/Policies.aspx#>.

**(e) Key Managerial Personnel of the Company**

Mr. Naveen Narang was re-appointed as the Managing Director of the Company for a term of two years with effect from 5th February, 2020. Further, the Board of Directors has recommended his re-appointment in the ensuing AGM.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on the date of this report are Mr. Naveen Narang, Managing Director & Chief Financial Officer and Ms. Vandita Arora, Company Secretary.

**(f) Attributes, qualifications and appointment of Directors**

The Nomination and Remuneration Committee has adopted the attributes and qualifications as provided in Section 149(6) of the Act and Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014, in respect of Independent Directors. The Committee has also adopted the same attributes and qualifications, to the extent applicable, in respect of Non-Independent Directors.

All the Non-Executive Directors of the Company fulfil the fit and proper criteria for appointment as Directors. Further, all Directors of the Company, other than Independent Directors, are liable to retire by rotation. One-third of the Directors who are liable to retire by rotation, retire every year and are eligible for re-election.

**(g) Remuneration Policy**

The Board, on the recommendation of the Nomination and Remuneration Committee, approved the Remuneration Policy for the Directors, Key Managerial Personnel and other employees of the Company, a copy of which is enclosed as **Annexure-I** to this Report.

**(h) Board Evaluation**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act, SEBI Listing Regulations and the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017, as required in terms of Section 134(3) (p) of the Act. The performance evaluation of the Board and individual Directors was based on criteria approved by the Nomination and Remuneration Committee. The Directors expressed their satisfaction with the overall evaluation process.

In a separate meeting of independent directors, performance of non-independent directors, the Chairman of the Company and the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors.

#### **4. NUMBER OF BOARD MEETINGS**

Seven (7) Meetings of the Board were held during the year. Details of the same are available in the Corporate Governance Report section of the Annual Report.

#### **5. BOARD COMMITTEES**

Presently, the Company has three Board Committees with the following members:

Audit Committee	Mr. Ashok Ahuja, Chairman Mr. Naveen Narang, Member Mr. Jawahar Lal, Member
Nomination and Remuneration Committee	Mr. Jawahar Lal, Chairman Mr. Satish Chander Narang, Member Mr. Ashok Ahuja, Member
Stakeholders Relationship Committee	Ms. Mansi Narang, Chairperson Mr. Jawahar Lal, Member Mr. Ashok Ahuja, Member

Committee Meetings Details of are available in the Corporate Governance Report section of the Annual Report.

#### **6. DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 134(5) of the Act, your Board of Directors to the best of their knowledge and ability confirm that: -

- i. in the preparation of the Annual Accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. they have 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 at the end of the financial year and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care for the 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 fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **7. CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the Act and Accounting Standard (AS) - 21 on Consolidated Financial Statements read with AS - 23 on Accounting for Investments in Associates, the audited consolidated financial statements is provided in the Annual Report.

## **8. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

As on 31st March, 2020, your Company had 4 (Four) Subsidiary Companies i.e., Max Heights Promoters Private Limited, Max Heights Township & Projects Private Limited, Icon Realcon Private Limited, Maxheights Realtors Limited and 1 (One) Associate Company i.e., Max Heights Developers Private Limited. There has been no material change in the nature of the business of the subsidiaries. No Company has become or ceased to become its Subsidiary, Joint Ventures or Associate Company during the year under review.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of Financial Statements of the Company's subsidiaries in the Form no. AOC-1 is attached herewith as **Annexure-II** which forms part of this report.

Further, pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, Consolidated Financial Statements along with relevant documents and separate Audited Financial Statements in respect of subsidiaries, are available on the website of the Company.

The policy determining the material subsidiaries as approved is available on the website of the Company at web link <http://www.maxheights.com/Policies.aspx#>.

## **9. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The Company provides a gender friendly workplace and has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and constituted an Internal Complaints Committee accordingly. During the year under review, there were no cases filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

None of the employees of your Company is covered under the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are also provided in **Annexure-III**.

## **10. LISTING INFORMATION**

The Equity Shares of the Company are listed on Bombay Stock Exchange Limited (BSE) and Calcutta Stock Exchange Limited (CSE). However the Application for delisting of the equity shares of the Company from the CSE is pending with the Exchange.

The payment of listing fees for the year 2019-20 has been made to BSE Limited.

**11. DEMATERIALIZATION OF SHARES**

The securities of the Company are admitted with NSDL and CDSL, the ISIN allotted to the Company is INE393F01010.

**12. CORPORATE GOVERNANCE**

To comply with the conditions of Corporate Governance, pursuant to Regulation 34(3) read with Schedule V of the SEBI Listing Regulations with the Stock Exchanges, a Report on Corporate Governance, Declaration by Managing Director and Auditor's Certificate, are included in the Annual Report as **Annexure – IV** to the Board Report.

**13. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

During the Financial Year 2019-20, the provisions of Section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable.

**14. RISK MANAGEMENT**

The Board has approved the Risk Management Policy of the Company. The Company's risk management framework is designed to address risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company. The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its objectives. The responsibility for management of risks vests with the Managers/ officers responsible for the day- to-day conduct of the affairs of the Company, which lead to identification of areas where risk management processes, need to be strengthened. Annual update is provided to the Board on the effectiveness of the Company's risk management systems and policies.

**15. INTERNAL FINANCIAL CONTROLS & INTERNAL AUDIT**

The Company has adequate internal financial controls with respect to the financial statements, commensurate with the size and scale of the operations of the Company. During the year, such controls were tested and no reportable material weakness in operation has been observed. Internal audit of the Company has been carried out during the year. The Audit Committee reviews the internal audit findings, provides guidance on internal controls and ensures that the internal audit recommendations are implemented.

**16. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The particulars of loans, guarantees and investments under Section 186 of the Act have been disclosed in the Financial Statements.

**17. RELATED PARTY TRANSACTIONS**

During the year under review, all the contracts / arrangements/ transactions entered by the Company during the Financial Year under review with related parties were in ordinary course of business / on an arm's length basis.

*The details in **AOC-2** of transactions entered into by the Company with its related party are provided in **Annexure- V** to this Report.*

All Related Party Transactions were placed before the Audit Committee for approval. Omnibus approval of the Audit Committee was obtained for the transactions which were of a repetitive nature. The transactions entered into pursuant to the omnibus approval so granted were reviewed and statements giving details of all related party transactions were placed before the Audit Committee on a quarterly basis. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available on the website of the Company at web link <http://www.maxheights.com/Policies.aspx#>.

**18. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURT / TRIBUNALS**

During the year under review, no significant or material orders were passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

**19. EXTRACT OF ANNUAL RETURN**

Pursuant to Section 92(3) of the Act, the details forming part of the extract of the Annual Return in Form MGT-9 in **Annexure-VI** will form part of this Board Report.

**20. STATUTORY AUDITORS AND AUDIT REPORT**

Pursuant to the provisions of Section 139 of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s Praveen Om Jain & Co., Chartered Accountants (Firm Registration No. No.019993N), were appointed as Statutory Auditors from the conclusion of the 36th Annual General Meeting (AGM) held on 29th September, 2017 till the conclusion of the 41st AGM of the Company to be held in the year 2022.

The comments made by the Auditors' in their Report are self- explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**21. COST RECORDS**

The Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

**22. SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s P B & Associates, Company Secretaries in Practice, to undertake the Secretarial Audit of the Company, for the Financial Year 2019-20. The Secretarial Audit Report given by M/s. P B & Associates, Company Secretaries, in MR- 3 is provided under **Annexure- VII** to this Report.

The comments made by the Secretarial Auditor are self - explanatory and do not require any further comments. The Secretarial Auditors' Report does not contain any qualification, reservation or adverse remark.

Pursuant to Circular No.CIR/ CFD/ CMD1/ 27/ 2019 dated 8th February, 2019, issued by the SEBI, the Company has obtained Annual Secretarial Compliance Report from a Practicing Company Secretary on compliance of all applicable SEBI Regulations and circulars/ guidelines issued there under and the copy of the same has been submitted with the Stock Exchanges within the prescribed due date.

**23. MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2) read with Schedule V of the SEBI Listing Regulations, is presented in a separate section forming a part of the Annual Report.

**24. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:**

**Steps taken on conservation of energy and impact thereof:** Efforts to conserve electricity by operating only necessary lights, fittings and fixtures were made during the Financial Year 2019-20.

**Steps taken by the Company for utilizing alternate sources of energy:** NIL

**Capital investment on energy conservation equipment:** NIL.

**TECHNOLOGY ABSORPTION:**

(I) Efforts, in brief, made towards technology absorption and benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc : Nil

(II) No technology was/is imported during the last 3 years reckoned from the beginning of the Financial Year),

Expenditure incurred on research and development – NIL

**25. FOREIGN EXCHANGE EARNINGS AND OUTGO**

There were no foreign exchange earnings or outflow during the Financial Year 2019-20.

**26. ESTABLISHMENT OF VIGIL MECHANISM**

The Vigil Mechanism Policy of the Company is formulated in terms of Section 177 (9) of the Act read with the provisions of the SEBI Listing Regulations and thereby also incorporates Whistle Blower Policy, to address the genuine concerns, if any, of the directors and employees. As per the said policy protected disclosures can be made by the whistle blower to the dedicated e-mail / telephone line/ letter to Chairman of Audit Committee.

The details of the Policy on Vigil Mechanism and Whistle Blower Policy, as approved by the Board have been stated in the Report on Corporate Governance available on the website of the Company at web link <http://www.maxheights.com/Policies.aspx#>.

**27. SECRETARIAL STANDARDS**

During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## **28. ACKNOWLEDGEMENT**

Your directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and shareholders during the year under review.

Your directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**By Order of the Board  
For MAX HEIGHTS INFRASTRUCTURE LIMITED**

**Date : 20th August, 2020  
Place : New Delhi**

**Sd/-  
Naveen Narang  
Managing Director & CFO  
DIN : 00095708**

**Regd. Off.: Max Heights Infrastructure Limited  
SD-65, Tower Apartment, Pitampura,  
New Delhi- 110034.  
CIN:L67120DL1981PLC179487  
E-Mail ID: info@maxheights.com**



## **NOMINATION & REMUNERATION POLICY (DIRECTORS, KMP & SENIOR MANAGEMENT)**

### **INTRODUCTION**

In pursuance of the Company's philosophy to consider its employees as its invaluable assets, to pay equitable remuneration to all the Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and, in terms of the provisions of the Companies Act, 2013, this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination & Remuneration Committee and approved by the Board of Directors.

### **OBJECTIVE**

The objective and purpose of the Policy are as given below:

1. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
2. To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
3. To provide them reward linked directly to their effort, performance, dedication and achievement of Organization's goals as entrusted on them.
4. To retain, motivate and promote talent and to ensure long term retention of talented managerial persons and create competitive advantage. In the context of the aforesaid objectives the following policy has been framed and recommended by the Nomination & Remuneration Committee and adopted by the Board of Directors.

### **PART – A**

#### **POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT APPOINTMENT**

1. The candidate for a position at Director, KMP or Senior Management level is met by the Managing Director in consultation with the other Directors. The interview is targeted at assessing the candidate on his/ her functional & leadership capabilities and cultural fitment to the organization.
2. The MD assesses the shortlisted candidates.
3. The selected candidate's details and the proposed compensation is shared with the Nomination & Remuneration Committee for their review and suggestions. The same is shared with the Board at the next board meeting.

## **TERM/ TENURE**

The tenure for Directors shall be governed by the terms defined in the Companies Act, 2013. However, the tenure for other KMP and Senior Management Personnel will be governed by Terms of Appointment in accordance with the Recruitment Policy of the Company.

## **EVALUATION**

The performance of the KMP and Senior Management Personnel is evaluated at regular intervals (half yearly/ yearly) by the Managing Director. The performance evaluation of Independent Directors shall be done by the Board, excluding the Director being evaluated, basis the contributions made to the Board deliberations on various matters including business strategy, financial strategy, operations, cost and risk management, etc., and suggestions given in this regard.

## **REMOVAL**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Managing Director may recommend, to the Committee and the Board with reasons recorded in writing, removal of a Director, subject to the provisions and compliance of the said Act, rules and regulations.

For other KMP or Senior Management Personnel, the removal will be governed by the Terms of Appointment in accordance with the Recruitment Policy of the Company and the subsequent approval of the Managing Director.

## **RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Managing Director will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **PART – B**

### **POLICY RELATING TO EVALUATION AND REMUNERATION OF THE KMP AND SENIOR MANAGEMENT PERSONNEL EVALUATION PROCESS:**

The three Point Rating scale for performance review of Executive Director, KMP, and Senior Management is to be followed:

1. Rating on Basic Job Responsibilities: indicating whether the basic job responsibilities have been met during the year.
2. Rating on Goals: Annual rating on each goal on a five-point scale. Weighted average of the ratings is calculated to arrive at a 'Weighted Goal Score'.
3. Rating on Capabilities Factors: The qualitative aspects of the performance is assessed using the Capabilities Factors by the supervisor on a five-point scale.

Based on a holistic view of the Three Point Rating, the supervisor provides an overall Rating. This rating is reviewed by the Managing Director along with the immediate reporting officer, who does a Qualitative review of the performance based on the efforts put in by the employee, results achieved and impact of the external and internal factors, to arrive at a 'Final Annual Rating'.

The revision in the total remuneration is directly linked to the 'Final Annual Rating' for all employees.

1. The remuneration/ compensation/ commission etc. to the KMP and Senior Management Personnel will be determined by the Managing Director in consultation with other Directors (except the Independent Directors) in accordance with the Recruitment Policy of the Company, which is based upon the Final Annual Rating, employee potential and market benchmark compensation. The revised remuneration is shared with the Nomination & Remuneration Committee for review.
2. The remuneration/ compensation/ commission etc. shall be subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.

\*\*\*\*\*

**Form AOC - I**

**Annexure-II(Pursuant to the First Provision to Sub -Section (3) of Section 129 Read with Rule 5 of the Companies (Accounts) Rules, 2014)**

**Statement containing salient features of the Financial Statement of Subsidiaries/ Associate Companies/ Joint Ventures**

**Part "A": Subsidiaries**

**(Amount in ₹)**

Sl. No.	Particulars				
1	Serial No.	I	II	III	IV
2	Name of the Subsidiary	Max Heights Promoters Private Limited	Max Heights Township & Projects Private Limited	Icon Realcon Private Limited	Max Heights Realtors Limited (Formerly Known as Max Heights Finance Limited)
3	The date since when subsidiary was acquired	28th November, 2013	30th January, 2013	30th April, 2015	25th April, 2015
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA
5	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	NA	NA	NA	NA
6	Share Capital	2,00,00,000.00	1,09,36,100.00	1,00,00,000.00	2,00,00,000.00
7	Reserves & surplus	2,29,92,394.00	2,46,89,866.32	1,88,032.00	28,98,822.84
8	Total assets	18,98,78,999.00	1,35,19,50,080.00	1,01,27,87,490.00	2,34,06,963.00
9	Total liabilities	14,68,86,605.00	1,31,63,24,113.67	1,00,25,99,458.00	5,08,14,000.00
10	Investments	-	-	-	-
11	Turnover	7,49,52,872.00	27,01,35,440.00	16,10,611.00	3,18,78,082.00
12	Profit before taxation	35,73,561.07	63,31,258.00	3,03,325.00	18,92,165.84
13	Provision for taxation	9,02,620.00	15,93,986.00	95,193.00	4,78,140.00
14	Profit after taxation	26,70,941.23	47,37,272.00	20,81,32.00	14,14,026.00
15	Proposed Dividend	-	-	-	-
16	% of Shareholding	65.00	54.86	74.00	100.00

**Part "B": Associates and Joint Ventures**  
**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate companies and Joint Ventures**

S. No.	Name of Associates/ Joint Ventures	Max Heights Developers Private Limited (Associate Company)
1	Latest audited Balance Sheet Date	30th May 2020
2	Date on which the Associate or Joint Venture was associated and acquired	17th March 2009
3	Shares of Associate/ Joint Ventures held by the company on the year end	NA
	No.	2,50,000
	Amount of Investment in Associates / Joint Venture	₹ 25,00,000
	Extent of Holding %	47.17
4	Description of how there is significant influence	1. One out of two directors is common
		2. The Company holds more than 20% of paid up share capital of Max Heights Developers Private Limited
5	Reason why the associate/ joint venture is not consolidated	NA
6	Networth attributable to Shareholding as per latest audited Balance Sheet	₹ 31.89/- per Equity Share of Rs. 10/-each
7	Profit /Loss for the year	
	(i) Considered in Consolidation	₹ 5,15,499.00
	(ii) Not Considered in Consolidation	₹ 5,77,355.00

**In terms of our report attached.**

**For Praveen Om Jain & Co.**

**Chartered Accountants**

**Firm Regd. No. 019993N**

**Sd/-**

**Praveen Kumar**

**Proprietor**

**Membership No. 503734**

**Date : 20.08.2020**

**Place : New Delhi**

**For and on behalf of the Board of Directors**

**Sd/-**

**Vandita Arora**

**Company Secretary**

**M.No. 61149**

**Sd/-**

**Satish Chander Narang**

**Chairman**

**DIN: 00095693**

**Sd/-**

**Naveen Narang**

**Managing Director & CFO**

**DIN: 00095708**

**Particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, ("the Act") read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as under:-**

**1. Details of Remuneration of Directors, Key Managerial Personnel and median Remuneration**

Name of Directors and Key Managerial Personnel	Designation	Ratio of remuneration of director to median remuneration of employees	% increase in remuneration in the Financial Year 2019-20
Mr. Satish Chander Narang	Non -Executive Director and Chairman	-	-
Mr. Naveen Narang	Managing Director & Chief Financial Officer	5.714:1	33.33
Ms. Mansi Narang	Non -Executive Director	-	-
Mr. Jawahar Lal	Independent Director	-	-
Mr. Kartar Chand Ahuja	Independent Director	-	-
Mr. Ashok Ahuja	Independent Director	-	-
Ms. Vandita Arora*	Company Secretary	0.24:1	-

\* Appointed as the Company Secretary of the Company with effect from 31st December, 2019.

- 1. Number of permanent employees on the rolls of the Company as on 31st March 2020: 7**
- 3. The percentage increase in the median remuneration of employees in the financial year: Nil**
- 4. Compared to the previous year 2018-19, the figure for the current year 2019-20 reflects that:**
  - (i) Median remuneration of employees is ₹4,20,000/- and average remuneration of employees is ₹4,50,633.4/-.
  - (ii) The increase in remuneration of Managing Director is keeping in view his duties and responsibilities, the performance of the Company and prevailing industry standards.
- 5. The remuneration paid as above was as per the remuneration policy of the Company.**

**For and on behalf of the Board of Directors**

**Date : 20.08.2020**  
**Place : New Delhi**

**Sd/-**  
**Satish Chander Narang**  
**Chairman**  
**DIN: 00095693**

**Sd/-**  
**Naveen Narang**  
**Managing Director & CFO**  
**DIN: 00095708**

**Max Heights Infrastructure Limited**  
Regd. Off.: SD-65, Tower Apartment,  
Pitampura, New Delhi- 110034  
CIN: L67120DL1981PLC179487  
E-MailID:info@maxheights.com

**REPORT ON CORPORATE GOVERNANCE OF MAX HEIGHTS INFRASTRUCTURE LIMITED**

In accordance with Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), the Report containing the details of Corporate Governance system is as follows:

**1. Company's Philosophy on Code of Governance:**

It has been a constant endeavor on the part of the Company to achieve excellence in the Corporate Governance by following the principles of transparency, accountability and integrity in functioning so as to constantly enhance value for all stakeholders and fulfill the social obligations entrusted upon the corporate sector.

The Company has also complied with the requirements of Corporate Governance Code, the disclosure requirements of which are given below:

**2. The Board of Directors:**

- i. The Chairman of the Company is a promoter Non-Executive Director and one half of the Directors on the Board are Independent Directors.
- ii. The Composition of the Board of Directors of the Company is as per the following details:

S. No.	Name of the Director	Category	Executive/ Non Executive	Remuneration paid during the F.Y 2019-20 (In ₹)
1	Mr. Satish Chander Narang	Promoter - Chairman	Non - Executive	Nil
2	Mr. Naveen Narang*	Promoter - Managing Director	Executive	24,00,000
3	Ms. Mansi Narang	Promoter	Non - Executive	Nil
4	Mr. Kartar Chand Ahuja	Independent	Non - Executive	Nil
5	Mr. Ashok Ahuja	Independent	Non - Executive	Nil
6	Mr. Jawahar Lal	Independent	Non - Executive	Nil

\*Mr. Naveen Narang, is the Executive Director and has been paid salary for the services rendered by him in his capacity of being the Managing Director of the Company.

- iii. The details of directorship, committee memberships and chairmanship of various committees held by the Directors is as follows:

S. No.	Name of Director	Number of Directorships	Number of Committee/s	
			Membership/s	Chairmanship
1	Mr. Satish Chander Narang	8	1	Nil
2	Mr. Naveen Narang	8	1	Nil
3	Ms. Mansi Narang	1	Nil	1
4	Mr. Kartar Chand Ahuja	3	Nil	Nil
5	Mr. Ashok Kumar Ahuja	3	2	1
6	Mr. Jawahar Lal	8	2	1

None of the above Directors is a Director in any other Listed Company except Max Heights Infrastructure Limited.

- iv. The details of the Board Meetings held during the year and attendance thereat are as follows:

S. No.	Date of the Board Meeting	Total No. of Directors	No. of Directors who attended the meeting
1	11/04/2019	6	6
2	30/05/2019	6	6
3	14/08/2019	6	6
4	03/09/2019	6	6
5	12/11/2019	6	6
6	31/12/2019	6	6
7	12/02/2020	6	6

- v. The Board Meetings were held within a gap of 120 (One Hundred and Twenty Days) between two meetings.

- vi. The details of the Board Meetings attended by each of Director are as follows:

S. No.	Name of Director	No. of Board Meetings held	Total No. of Meetings attended
1	Mr. Satish Chander Narang	7	7
2	Mr. Naveen Narang	7	7
3	Ms. Mansi Narang	7	7
4	Mr. Ashok Ahuja	7	7
5	Mr. Jawahar Lal	7	7
6	Mr. Kartar Chand Ahuja	7	7



vii. The last Annual General Meeting held on 30th September, 2019 was attended by Mr. Naveen Narang, Managing Director, Ms. Mansi Narang Non-Executive Director, Mr. Ashok Ahuja, Mr. Mukul Dhamija and Mr. Jawahar Lal, Independent Directors of the Company.

viii. Code of Conduct

The Code of Conduct for all the Directors and Senior Management Personnel, laid down by the Board, is available on the Company's website ([www.maxheights.com](http://www.maxheights.com)). The Code of Conduct is applicable to all the Board Members and Senior Management Executives. The Code is circulated annually among all the Board members and Senior Management; the compliance is affirmed by them annually. A declaration signed by Mr. Naveen Narang, Managing Director & CFO regarding affirmation of the compliance with the Code of Conduct by the Board members and senior management. The same is provided as **Annexure IV (a)** to this report.

ix. Disclosure of Relationships between directors inter-se;

Mr. Satish Chander Narang, Mr. Naveen Narang and Ms. Mansi Narang, Directors of the Company are related to each other. Mr. Satish Chander Narang (Chairman) is the father of Mr. Naveen Narang (Managing Director and Chief Financial Officer) and Ms. Mansi Narang (Non-Executive Director) is the wife of Mr. Naveen Narang.

Apart from this, none of the other directors are related to each other.

x. Number of shares and convertible instruments held by Non- Executive Directors;

Mr. Satish Chander Narang, Chairman and Ms. Mansi Narang, Non-Executive Director, hold following

S. No.	Name	Number of Shares
1.	Mr. Satish Chander Narang	17,36,251
2.	Ms. Mansi Narang	3,84,396

Other than Equity Shares, there is no other class of security, issued by the Company.

xi. Web link for details of familiarization programme imparted to independent directors. Framework for Familiarization Programme imparted to independent directors is made available on the website of the Company at <http://www.maxheights.com/Policies.aspx#>.

### 3. **Audit Committee:**

i. The terms of reference of Audit Committee are stipulated by the Board of Directors, in accordance with the Regulation 18 of the SEBI Listing Regulations.

ii. The Composition of the Audit Committee and the details of the meeting attended by the Directors are given below:

Name of the Member	Category	No. of Meetings held during 2019-20	No. of Meetings attended during 2019-20
Mr. Ashok Ahuja	Independent Non-Executive Director – Chairman	4	4
Mr. Naveen Narang	Promoter Executive Director – Member	4	4
Mr. Jawahar Lal	Independent Non-Executive Director – Member	4	4

- iii. The details of the Audit Committee Meetings during the year and attendance thereat are as follows:

S. No.	Date of the Audit Committee Meeting	Total No. of Directors	No. of directors who attended the meeting
1.	30/05/2019	3	3
2.	14/08/2019	3	3
3.	12/11/2019	3	3
4.	12/02/2020	3	3

#### 4. **Nomination and Remuneration Committee:**

- i. The terms of reference of the Nomination and Remuneration Committee are stipulated by the Board of Directors, in accordance Regulation 19 of the SEBI Listing Regulations.
- ii. The Composition of Nomination and Remuneration Committee and the details of the meeting attended by the Directors are given below:

Name of the Member	Category	No. of Meetings held during the year 2019-20	No. of Meetings attended during the year 2019-20
Mr. Jawahar Lal	Non-Executive Independent Director – Chairman	3	3
Mr. Satish Chander Narang	Promoter Non-Executive Director – Member	3	3
Mr. Ashok Ahuja	Non-Executive Independent Director – Member	3	3

\*The details of the Nomination and Remuneration Committee Meeting during the year and attendance there at are as follows:

S. No.	Date of Nomination and Remuneration Committee Meeting	Total No. of Directors	No. of directors who attended the meeting
1.	30/05/2019	3	3
2.	31/12/2019	3	3
3.	12/02/2020	3	3

- iii. The Company pays remuneration to Mr. Naveen Narang, Executive Director of the Company, for his services rendered to the Company in his capacity of being the Managing Director and Chief Financial Officer, by the way of salary and perquisites, based on the approval of the Board and the Shareholders of the Company, which is separately disclosed in the financial statements. The remuneration paid to him is determined keeping in view the industry benchmark and the relative performance of the Company. The minutes of the Committee are reviewed by the Board.

- iv. Details pertaining to the performance evaluation criteria for all the directors and payment of remuneration to all the directors is mentioned in the Nomination and Remuneration Policy which forms the part of this Annual Report.

## **5. Stakeholders Relationship Committee**

- i. Ms. Mansi Narang, Promoter Non-Executive Director is the Chairperson of the Stakeholders Relationship Committee
- ii. The details of the Stakeholders Relationship Committee during the year and attendance thereat are as follows:

S. No.	Date of Shareholders/ Investor's Grievance Committee Meeting	Total No. of Directors	No. of directors who attended the meeting
1.	15/04/2019	3	3
2.	30/05/2019	3	3
3.	14/08/2019	3	3
4.	12/11/2019	3	3
5.	12/02/2020	3	3

- iii. The Composition of Stakeholders Relationship Committee and details of the meeting attended by Director/s are as follows:

Name	Category	No. of Meetings held during 2019-20	No. of Meeting/s attended during the year 2019-20
Ms. Mansi Narang	Promoter Non - Executive Director- Chairperson	5	5
Mr. Ashok Ahuja	Independent Non - Executive Director-Member	5	5
Mr. Jawahar Lal	Independent Non -Executive Director-Member	5	5

## **iv. Name and designation of the Compliance Officer**

Name and Designation	Ms. Vandita Arora , Company Secretary
Telephone	011-2731 4646, 2731 2522
Fax	011-2731 5115
E-mail Id	<a href="mailto:cs@maxheights.com">cs@maxheights.com</a>

**v. Number of shareholders' complaints received so far**

During the year the Company has not received any complaints from any shareholders.

**vi. Number of complaints not solved to the satisfaction of shareholders:**

Not Applicable

**vii. Number of pending complaints:**

Not Applicable

**6. Subsidiary Companies' Monitoring Framework:**

All subsidiary companies are managed by their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. The Company monitors performance of the subsidiary companies, *inter alia*, by the following means:

- a. Financial statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee.
- b. Minutes of Board meetings of unlisted subsidiary companies are placed before the Company's Board regularly.
- c. A statement containing all the significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board.

**7. General Body meetings:**

Location and time, where last three AGMs held.

Date	Location	Time	Special Resolution Passed
30/09/2019	Khushi Banquet, MP Mall, MP Block, Pitampura, New Delhi - 110034	12:30 A.M	Yes, Special Resolution was passed : To Appoint Mr. Kartar Chand Ahuja (DIN. 00457440) as an Independent Director of the Company.
29/09/2018		11:00 A.M	Yes, Special Resolutions were passed : i. To appoint Mr. Jawahar Lal (DIN. 00761139) as an Independent Director of the Company. ii. To Revise the terms of remuneration of Mr. Naveen Narang, Managing Director (DIN: 00095708) of the Company.
29/09/2017		12:30 P.M.	Yes, Special Resolutions were passed for: i. Ratification of re-appointment of Mr. Naveen Narang as Managing Director. ii. Authorization for Related Party Transactions for the F.Y. 2017-18.

**8. Means of communication:**

**Quarterly Results**

The quarterly results, published in the Performa prescribed by the SEBI Listing Regulations are approved and taken on record by the Board of Directors. The approved results are forthwith uploaded on the BSE Listing Center.

**Newspapers**

The quarterly results are normally published in Financial Express (English) and Jansatta (Hindi) / Business Standard (English) and Business Standard (Hindi). The results are also posted on the Company's website <http://maxheights.com/Financials.aspx>.

**9. General Shareholder Information:**

**i. AGM : Date, time and venue**

The Annual General Meeting of the Company is scheduled to be held on Monday, 28th September, 2020 at 01:00 P.M. through Video Conferencing.

**ii. Financial Year**

The Financial Year of the Company ended on 31st March, 2020.

**iii. Date of Book closure**

The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 25th September, 2020 to Monday, 28th September, 2020 (both days inclusive).

**iv. Listing on Stock Exchanges**

The Company's shares remain listed on the following two Stock Exchanges in India:

- Bombay Stock Exchange, 25th Floor, P J Towers Dalal Street, Mumbai, Maharashtra- 400001, and
- Calcutta Stock Exchange, 7 Lyons Range, Kolkata-700001.\*

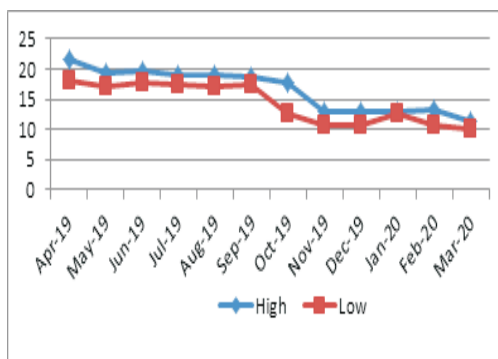
*\* The Board of Directors of the Company passed a resolution on 4th September, 2012 for delisting of securities from Calcutta Stock Exchange pursuant to the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 and the application for the same is pending with the Exchange.*

**v. Stock Code:**

i. Bombay Stock Exchange	534338
ii. Calcutta Stock Exchange	28191
iii. International Securities Identification Number (ISIN) of Equity Shares	INE393F01010

**vi. Market Price Data: High, Low during each month in last financial year**

BOMBAY STOCK EXCHANGE			
Month	High	Low	No. of Shares
Apr-19	21.50	18.00	22,342
May-19	19.40	17.00	23,314
Jun-19	19.60	17.90	10,732
Jul-19	19.00	17.50	10,687
Aug-19	19.05	17.10	7,183
Sept-19	18.65	17.5	4,819
Oct-19	17.80	12.55	7,280
Nov-19	12.80	10.73	5,510
Dec-19	12.80	10.80	3,340
Jan-20	13.05	12.60	3,912
Feb-20	13.40	10.75	2,21,090
Mar-20	11.30	10.00	3,34,508



\* Information is taken from the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com).

The Share of the Company continued to be listed on the Calcutta Stock Exchange, however no trading was carried out during the financial year, thus no data is available in respect of market price.

**vii. Registrar and Transfer Agents**

Name and Address	Skyline Financial Services Private Limited Add: D-153/A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi – 110020
Telephone	+91 (0) 11 6473 2681/6473 2682 +91 (0) 11 2681 2682/83
E-mail Id	admin@skylinerta.com

**viii. Share Transfer System**

Securities lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgment, if the documents are clear in all respects.

**ix. Distribution of shareholding as on 31st March, 2020**

Share holding	Number of Shareholders	% to Total Numbers	No. of Shares	% to Total Amount
Up To 500	559	77.42	26,279	0.17
501 To 1000	28	3.88	23,260	0.15
1001 To 2000	10	1.39	15,009	0.10
2001 To 3000	6	0.83	17,528	0.11
3001 To 4000	2	0.28	6,925	0.04
4001 To 5000	5	0.69	22,914	0.15
5001 To 10000	26	3.60	2,05,453	1.32
1,00,01 and Above	86	11.91	1,52,91,857	97.96
<b>Total</b>	<b>722</b>	<b>100</b>	<b>1,56,09,225</b>	<b>100</b>

**x. Dematerialization of shares and liquidity**

Total 1,55,11,375 of shares of Company constituting 99.37%, are in dematerialized form out of which 29.29% of shares are dematerialized with the CDSL and 70.08% of shares are dematerialized with the NSDL.

**xi. GDRs / ADRs / Warrants or any Convertible instruments**

The Company has not issued GDRs / ADRs / Warrants or any Convertible instruments during the year.

**xii. Plant Locations**

Not Applicable

**xiii. Address for Correspondence**

SD-65, Tower Apartment, Pitampura, New Delhi – 110034  
Ph. No. 011-2731 4646, 2731 2522, 2731 8772  
Fax: 011-2731 5115

**10. Disclosures:**

**Related Party Transactions**

During the year there was no materially significant related party transaction/s that may have potential conflict with the interests of company at large.

### **Web link for policy determining the 'Material Subsidiaries'**

The policy determining the material subsidiaries as approved is available on the website of the Company at web link <http://www.maxheights.com/Policies.aspx#>.

### **Web link for Policy on dealing with related party transactions and Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions**

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available on the website of the Company at web link <http://www.maxheights.com/Policies.aspx#>.

### **Statutory Compliances, Penalties and structures**

The Company has complied with the requirements of the Stock Exchanges or SEBI or any other statutory authority, on matter/s related to capital markets, during the last three years. No penalty or strictures has been imposed on the Company by these authorities.

### **Whistle Blower policy**

The Company has adopted a Whistle Blower policy to provide a mechanism whereby the employees are given a direct access to the Chairman and the Audit Committee to report about the unethical behavior, fraud and violation of Company's Code of Conduct and to provide sufficient provisions for the protection against the victimization of employees who avail such mechanism and it is affirmed that no personnel has been denied access to the Audit Committee.

### **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this regulation.**

The Company has complied with mandatory requirements of the SEBI Listing Regulations.

### **Disclosure of commodity price risks and commodity hedging activities**

Not Applicable

### **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

Not any

### **Non-acceptance of any recommendation of any committee of the board by the Board of Directors, which is mandatorily required during the financial year.**

Not Any

## **11. Certificate from Company Secretary in Practice**

The certificate Required under Schedule V of SEBI Listing Regulations from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors by the Board/ Ministry of Corporate Affairs or any such statutory authority has been received and was placed before the Board. The same is provided as Annexure IV (b) to this report. .



12. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: ₹ 1,25,000/-
13. Disclosures in Relation to The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013
- a. Number of complaints filed during the financial year : 0
- b. Number of complaints disposed of during the financial year: NA
- c. Number of complaints pending as on end of the financial year: 0
14. Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) of Para C of Schedule V
- Not any
15. The extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.
- The discretionary requirements as specified in Part E of Schedule II have not been adopted.
16. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46
- The Company has complied with the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of SEBI Listing Regulations.
17. Compliance Certificate
- Compliance Certificate from practicing company secretaries regarding compliance of conditions of corporate governance is annexed with the Directors' Report.
18. CEO and CFO Certification
- The certificate required under Regulation 17(8) of SEBI Listing Regulations, duly signed by Mr. Naveen Narang, the Managing Director & Chief Financial Officer of the Company, was placed before the Board. The same is provided as **Annexure IV(c)** to this report.
19. The Certificate of Compliance as stipulated under Regulation 34(3) read with Schedule V of the SEBI Listing Regulations is obtained from Statutory Auditor of the Company M/s Praveen Om Jain & Co., Chartered Accountants. The same is provided as **Annexure IV (d)** to this report.

For and on behalf of the Board of Directors

Date : 20.08.2020  
Place : New Delhi

Sd/-  
Satish Chander Narang  
Chairman  
DIN: 00095693

Sd/-  
Naveen Narang  
Managing Director & CFO  
DIN: 00095708

Max Heights Infrastructure Limited  
Regd. Off.: SD-65, Tower Apartment,  
Pitampura, New Delhi- 110034  
CIN: L67120DL1981PLC179487  
E-Mail ID: info@maxheights.com

**Declaration**

I, Naveen Narang, Managing Director & CFO of the Company, do hereby confirm that the Company has received from all the members of the Board and Senior Management, for the financial year ended 31st March, 2020, a confirmation that they are in compliance with the Company's Code of Conduct.

**By Order of the Board  
For Max Heights Infrastructure Limited**

**Date : 20.08.2020**

**Place : New Delhi**

**Annexure IV (b)**

**CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**

We, M/s P B & Associates, Company Secretaries having M. No. FCS- 7673 and COP. No. 6485 hereby certify that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

**For P B & Associates  
Company Secretaries**

**Sd/-  
Pooja Bhatia**

**Date : 20.08.2020**

**Place : New Delhi**

**Mem. No.: FCS- 7673**

**COP: 6485**

**Chief Executive Officer (CEO)/Chief Financial Officer (CFO) certification**

I Naveen Narang, Managing Director & CFO of Max Heights Infrastructure Limited certify to the Board that:

- (a) I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 and that to the best of our knowledge and belief:
  - (I) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit committee:
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**By Order of the Board  
For Max Heights Infrastructure Limited**

**Date : 20-08-2020  
Place : New Delhi**

**Sd/-  
Naveen Narang  
Managing Director & CFO  
DIN: 00095708**

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members  
Max Heights Infrastructure Limited

**INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

1. This certificate is issued in accordance with the terms of our engagement with Max Heights Infrastructure Limited ('the Company').
2. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2020, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

**MANAGEMENTS' RESPONSIBILITY**

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

**AUDITOR'S RESPONSIBILITY**

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

**OPINION**

6. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2020.
7. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Praveen Om Jain & Co Chartered Accountants**

Sd/-  
Praveen Kumar Prop.  
M.No. 530734

Place: New Delhi  
Date: 20-08-2020

## 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 in to by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

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

## 2. Details of material contracts or arrangement or transactions at arm's length basis

SN	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	Ms. Herika Narang Son's wife of the Director	Remuneration	01/04/2019 to 31/03/2020	₹ 10,80,000/-	11 <sup>th</sup> April, 2019	Nil
2.	Ms. Kanika Khurana Daughter of the Director	Remuneration	01/04/2019 to 31/03/2020	₹ 4,80,000/-	11 <sup>th</sup> April, 2019	Nil

### On behalf of the Board of Directors

Sd/-  
Satish Chander Narang  
Chairman  
DIN: 00095693

Sd/-  
Naveen Narang  
Managing Director & CFO  
DIN: 00095708

Date : 20th August, 2020  
Place : New Delhi

Max Heights Infrastructure Limited  
Regd. Off.: SD-65, Tower Apartment,  
Pitampura, New Delhi- 110034  
CIN: L67120DL1981PLC179487  
E-Mail ID: info@maxheights.com

**Form No. MGT-9 EXTRACT OF ANNUAL RETURN**  
**As on the Financial Year ended on 31/03/2020**  
**[Pursuant to Section 92(3) of The Companies Act, 2013 and Rule 12(1) of The Companies**  
**(Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	:	L67120DL1981PLC179487
ii)	Registration Date	:	28th July, 1981
iii)	Name of the Company	:	Max Heights Infrastructure Limited
iv)	Category / Sub-Category of the Company	:	Public Company - Limited by Shares
v)	Address of the Registered Office and contact details	:	SD-65, PITAMPURA, NEW DELHI –110034 Telephone : 011-27314646, 011-27312522 Fax Number : 011-27315115 Email : info@maxheights.com
vi)	Whether Listed Company	:	Yes
vii)	Name, Address and Contact details of Registrar & Transfer Agent	:	Skyline Financial Services Private Limited D-153/A, 1st Floor, Okhla Industrial Area, Phase– I New Delhi – 110020 Tel. Nos. : +91-(0)11-6473 2681/64732682/26812682 e-mail: admin@skylinerta.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Construction of buildings carried-out on own account basis or on a fee or contract basis	41001	100

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

No. of Companies for which information is being filled = Five (5)

SN	NAME AND ADDRESS OF THE COMPANY	CIN / GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Max Heights Township and Project Private Limited	U70109DL2006PTC150424	Subsidiary	54.86	Section 2(87)(i)
2	Icon Realcon Private Limited	U70109DL2007PTC171994	Subsidiary	74.00	Section 2(87)(i)
3	Max Heights Promoters Private Limited	U70102DL2013PTC248086	Subsidiary	65.00	Section 2(87)(i)
4	Max Heights Realtors Limited (Formerly known as Max Heights Finance Limited)	U65100DL2015PLC278455	Subsidiary	100.00	Section 2(87)(i)
5	Max Heights Developers Private Limited	U45400DL2007PTC162066	Associate	47.17	Section 2(6)

# I. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

## A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	75,90,005	0	75,90,005	48.62	75,90,005	0	75,90,005	48.63	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	2,45,169	0	2,45,169	1.57	5,94,169	0	5,94,169	3.80	2.23
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	<b>78,35,174</b>	<b>0</b>	<b>78,35,174</b>	<b>50.18</b>	<b>81,84,174</b>	<b>0</b>	<b>81,84,174</b>	<b>52.43</b>	<b>2.23</b>
(2) Foreign									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>78,35,174</b>	<b>0</b>	<b>78,35,174</b>	<b>50.18</b>	<b>81,84,174</b>	<b>0</b>	<b>81,84,174</b>	<b>52.43</b>	<b>2.23</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	4105208	1,175	4106383	26.31	3839346	900	3840246	25.74	(0.57)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individualshareholders holding nominal share capital upto Rs. 2 lakh	4,32632	10730	443362	2.84	4,56365	9850	4,66215	2.99	0.15
ii) Individualshareholders holding nominalshare capital in excess of Rs 2 lakh	2617817	1,88400	2806217	17.98	2653617	87100	2740717	17.56	(0.42)
c) Others (specify)	4,18089	0	4,18089	2.68	3,77873	0	3,77873	2.42	(0.26)
<b>Sub-total (B)(2):-</b>	<b>7573746</b>	<b>2,00305</b>	<b>7773901</b>	<b>49.82</b>	<b>7327201</b>	<b>97850</b>	<b>7425051</b>	<b>47.57</b>	<b>(2.25)</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>7573746</b>	<b>2,00305</b>	<b>7773901</b>	<b>49.82</b>	<b>7327201</b>	<b>97850</b>	<b>7425051</b>	<b>47.57</b>	<b>(2.25)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>1,5408890</b>	<b>2,00305</b>	<b>1,5609225</b>	<b>100.00</b>	<b>1511,375</b>	<b>9,7850</b>	<b>1,5609225</b>	<b>100.00</b>	



## B. Shareholding of Promoters

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	NAVEEN NARANG	38,63,894	24.75	0	38,63,894	24.75	0	0.00
2	SATISH CHANDER NARANG	17,36,251	11.12	0	17,36,251	11.12	0	0.00
3	MANAN NARANG	8,19,001	5.25	0	8,19,001	5.25	0	0.00
4	SUMITRA NARANG	5,86,963	3.76	0	5,86,963	3.76	0	0.00
5	MANSI NARANG	3,84,396	2.46	0	3,84,396	2.46	0	0.00
6	S C NARANG (HUF)	76,500	0.49	0	76,500	0.49	0	0.00
7	PARVEEN KUMAR NARANG	60,000	0.38	0	60,000	0.38	0	0.00
8	SUPRIYA NARANG	60,000	0.38	0	60,000	0.38	0	0.00
9	NAVEEN NARANG (HUF)	3,000	0.02	0	3,000	0.02	0	0.00
10	PITAMPURA LEASING AND HOUSING FINANCE LIMITED	2,45,169	1.57	0	4,16,169	2.67	0	1.10
11	NARANG INTERMEDIARIES PRIVATE LIMITED	0	0	0	1,78,000	1.14	0	1.14

## C. Change in Promoters' Shareholding

SN	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
“SAME AS ABOVE”						

**D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

SN	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during The year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	J.K. L'ATELIER LIMITED	BODY COPRORATE	3,92,800	2.52	3,92,800	2.52
2	NAU NIDH FINANCE LIMITED	BODY COPRORATE	3,00,000	1.92	3,00,000	1.92
3	RANJITGARH FINANCE COMPANY PRIVATE LIMITED	BODY COPRORATE	9,48,200	6.07	9,48,200	6.07
4	VANI COMMERCIALS LIMITED	BODY COPRORATE	3,11,547	2.00	3,11,547	2.00
5	JAGTARNI TRADERS PVT LTD	BODY COPRORATE	1,46,264	0.94	1,72,575	1.11
6	PURBANCHAL TRADE AND INDUSTRIES LIMITED	BODY COPRORATE	3,85,142	2.47	3,85,142	2.47
7	BIGSEA TRADING COMPANY PRIVATE LIMITED	BODY COPRORATE	5,90,834	3.79	4,19,882	2.69
8	VINOD KUMAR	RESIDENT	2,87,100	1.84	3,37,100	2.16
9	SUPERFAST MEDIA PRIVATE LIMITED	BODY COPRORATE	3,10,345	1.99	1,54,677	0.99
10	SKYLARGE REALCON PRIVATE LIMITED	BODY COPRORATE	4,62,486	2.96	4,62,486	2.96
11	GAURAV NARANG	RESIDENT	2,47,500	1.59	2,27,500	1.46

**E. Shareholding of Directors and Key Managerial Personnel**

SN	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during The year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	MR. NAVEEN NARANG	MANAGING DIRECTOR & CFO	38,63,894	24.75	38,63,894	24.75
2	MR. SATISH CHANDER NARANG	DIRECTOR	17,36,251	11.12	17,36,251	11.12
3	MS. MANSI NARANG	DIRECTOR	3,84,396	2.46	3,84,396	2.46

## V. INDEBTEDNESS :

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	46,25,087	5,87,28,199	-	5,87,28,199
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>46,25,087</b>	<b>5,87,28,199</b>	<b>-</b>	<b>5,87,28,199</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	3,74,897	8,82,19,141	-	9,17,16,737
Reduction	(15,02,388)	(5,27,89,879)	-	(5,27,89,879)
Net Change	34,97,596	3,54,29,262	-	4,00,54,349
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	34,97,596	9,41,57,461	-	9,87,82,548
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>34,97,596</b>	<b>9,41,57,461</b>	<b>-</b>	<b>9,87,82,548</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

SN	Name of MD / WTD / Manager	Gross salary (In ₹)			Stock Option	Sweat Equity	Commission		Others	Total (In ₹)	Ceiling as per the Act
		(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961			as % of profit	others			
1	Mr. Naveen Narang	24,00,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil	24,00,000	Not Applicable

### B. Remuneration to other directors

SN	Name of Directors	Independent Directors			Total (1)	Other Non - Executive Directors			Total (2)	Total (1+2)	Total Managerial Remuneration	Overall Ceiling as per the Act
		Fee for attending board / committee meetings	Commission	Others		Fee for attending board committee meetings	Commission	Others				
1.	N/A	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD**

SN	Name of Key Managerial Personnel	Gross salary (In ₹)			Stock Option	Sweat Equity	Commission		Others	Total (In ₹)
		(a) Salary as per provisions contained in section 17(1)	(b) Value of perquisites u/s 17(2) Income-tax	(c) Profits in lieu of salary under section 17(3) Income-tax			as % of profit	others		
1.	Ms. Gitika Arora (Ceased to be Company Secretary of the Company with effect from 14th June, 2019)	90,000	-	-	-	-	-	-	-	90,000
2.	Ms. Vandita Arora (Appointed as Company Secretary of the Company with effect from 31st December, 2019)	98,000	-	-	-	-	-	-	-	98,000

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	Not Any				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	Not Any				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Not Any				
Punishment					
Compounding					

**For and on behalf of the Board of Directors**

**Date : 20.08.2020**  
**Place : New Delhi**

**Sd/-**  
**Satish Chander Narang**  
**Chairman**  
**DIN: 00095693**

**Sd/-**  
**Naveen Narang**  
**Managing Director & CFO**  
**DIN: 00095708**

**Max Heights Infrastructure Limited**  
**Regd. Off.: SD-65, Tower Apartment,**  
**Pitampura, New Delhi- 110034**  
**CIN: L67120DL1981PLC179487**  
**E-Mail ID: info@maxheights.com**

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL ENDED 31<sup>ST</sup> MARCH 2020

[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,  
**Max Heights Infrastructure Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Max Heights Infrastructure Limited**, a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at SD-65, Pitampura, Delhi-110034 (hereinafter referred to as the '**Company**') for the period commencing from 1st April, 2019 till 31st March, 2020 (hereinafter referred to as the '*Audit Period*'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinions thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also based on management representation and the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit 2019-20, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2020 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 the Company for the Financial Year ended on 31st March, 2020, 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;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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'):-
  - (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, 2015;
  - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (d) 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.

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

- (i) The mandatory Secretarial Standards issued by The Institute of Company Secretaries of India **with respect to Board Meetings and General Meetings.**
- (ii) **The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent 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 provisions of the Act.

Adequate notice is given to all Directors for the Board Meetings and Committees Meetings, agenda and detailed notes on agenda were sent at least seven days in advance before the meeting for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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 the applicable Laws, Rules, Regulations and Guidelines.

We further report that during the audit period the Company has no specific events / actions that have a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc:

***This Certificate is issued within the limited available resources under the situation of National Lockdown due to COVID-19 pandemic.***

For **P B & Associates**  
**Company Secretaries**

**Pooja Bhatia**  
**FCS: 7673**  
**CP: 6485**  
**UDIN: F007673B000597768**

**Place: New Delhi**  
**Dated: 20<sup>th</sup> August 2020**

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

To  
The Members,  
Max Heights Infrastructure Limited

Our report of the even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. 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 the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
6. The 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.

For **P B & Associates**  
**Company Secretaries**

**Pooja Bhatia**  
**FCS: 7673**  
**CP: 6485**  
**UDIN: F007673B000597768**

**Place: New Delhi**  
**Dated: 20<sup>th</sup> August 2020**

## MANAGEMENT DISCUSSION AND ANALYSIS

***Max Heights Infrastructure Limited (also referred to as 'Max' or 'the Company') a growing Real Estate Company is under the management control of the promoters having a rich experience in the Real Estate Sector. Various internal and external factors had resulted in the challenging and complex operating environment for the Company.***

The Financial Statements have been prepared in compliance with the requirements of the Companies Act, 2013, Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the Indian Accounting Standards (Ind-AS) in India. Our Management accepts responsibility for the integrity and objectivity of these Financial Statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the Financial Statements have been made on a prudent and reasonable basis, so that these Financial Statements reflect in a true and fair manner the form and substance of transactions and reasonably present our state of affairs, profits and cash flows for the Financial Year 2019-20.

### I. OVERVIEW OF THE ECONOMY

The onset of COVID-19 pandemic has had a profound effect on an already slowing world economy. According to International Monetary Fund, global growth has been around 3% in 2019. Due to the COVID-19 pandemic, the global economy is expected to contract sharply by more than 4% in 2020, much worse than the 2008-09 financial crisis. Against this backdrop, the Indian economic growth is expected to slow down to 1.9% in 2020.

It is most likely that in 2020, global economy will experience its worst recession since the Great Depression, surpassing that seen during the financial crisis in 2007-08. Partial recovery is projected for 2021 assuming the pandemic fades in the second half of 2020 and restrictions can be gradually relaxed.

### II. COVID-19 – BUSINESS CONTINUITY

Your Company responded to the threat of COVID-19 proactively and adopted a cautious and comprehensive approach towards the well-being & safety of its employees - by initiating 'Work from Home' & 'Social Distancing' practices during the phase of nationwide lockdown. As part of your Company's Business Continuity plan, the Company has been able to minimise disruption to its operations during the lockdown phase by ensuring that employees are suitably equipped to work from home. The Company ensured proper data safety and maintenance of confidentiality during work from home. In compliance of the guidelines and directives issued by the Ministry of Home Affairs, Government of India and State Government Authorities, the Company resumed its operations with 50% employees and reduction in working hours and is also adhering to the prescribed safety norms in order to ensure the safety of its employees and all the stakeholders. The Company has also put strict monitoring process for COVID-19 ensuring the following:

- Thermal Screening of all employees and visitors at the office & sites of the Company;
- Sanitizing the premises and vehicles on regular basis at the office & sites of the Company;
- Maintenance of social distancing at all work places at the office & sites of the Company;



- Enforcing wearing of masks and regular cleaning of hands at the office & sites of the Company and asking all employees at the office & sites of the Company to have the Aarogya-Setu App.

### III. INDUSTRY STRUCTURE AND DEVELOPMENT

As per the latest report of Indian Brand Equity Foundation (IBEF), the Real Estate Sector is one of the most globally recognized sectors. It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the long term. Bengaluru, Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun are expected to be the most favored property investment destination for NRIs,

The Securities and Exchange Board of India (SEBI) has given its approval for the Real Estate Investment Trust (REIT) platform, which will allow all kind of investors to invest in the Indian real estate market. It would create an opportunity worth Rs 1.25 trillion (US\$ 19.65 billion) in the Indian market in the coming years. Responding to an increasingly well-informed consumer base and bearing in mind the aspect of globalisation, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family owned businesses to that of professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralised processes to source material and organise manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The growing flow of FDI in Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards.

#### **Impact of Delhi Real Estate (Regulation and Development) Rules:**

The Delhi Real Estate (Regulation and Development) Rules have been notified, with the thought that the Delhi Real Estate Regulatory Authority (RERA) would infuse financial discipline, transparency and integrity in the Real Estate Sector. The Act made buyers expect a fast and effective grievance redressal, either in terms of project completion or fair compensation and has been recognized as a game changer in the buyer community .

Mr. Vijay S. Madan, a former Director General in the Unique Identification Authority of India (UIDAI) has been appointed as the Chairperson of the Delhi Real Estate Regulatory Authority under the RERA. As provided on the website of the Real estate Regulatory Authority for NCT of Delhi, only 26 Real Estate Projects have so far been registered under RERA in the National Capital.

### IV. OPPORTUNITES AND THREATS

Infrastructure sector plays an important role in the growth and development of Indian economy. The Real Estate Sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

As per the budget for the Financial Year 2020-21, the Finance Minister has allocated Rs. 1.7 lakh crore for accelerated development of infrastructure, which has the potential to kickstart the economy, generate jobs outside urban centres, and boost consumption.

Your Company continues to target the mid income residential segment to remain strong as we believe there is a significant potential for demand in this particular category across the country during these unprecedented times.

However, the Real Estate Market is inherently a cyclical market and is affected by macroeconomic conditions changes in applicable governmental schemes, changes in supply and demand for projects, availability of consumer financing and illiquidity. Major threat faced by the industry right now is continuing slowdown in the economy. Further the businesses worldwide have been hugely impacted by the outbreak of COVID-19 epidemic which has resulted in significant reduction in economic activities across all sectors. The Company's operations has also been affected due to interruption in construction activities, supply chain disruption, unavailability of personnel, closure/lock down of various other facilities etc. Although, the Company has now restarted operations at various project offices and sites whilst adhering to various guidelines on COVID-19 as issued by the Government authorities from time to time.

## **V. RESIDENTIAL REAL ESTATE**

In India, the impact of the ongoing pandemic on business activities became more prominent since the beginning of March 2020. Even though new project launches came to a standstill in March, the first Quarter of 2020 witnessed a rise of 3% in new launches as compared to the same period last year. The homebuyer community deferred their purchase decisions in light of the impending crises, which led to sales dipping by nearly 30% in Quarter 1 of 2020 on a year on year basis.

In the current times of uncertainty amidst the pandemic, the Company is not in a position to gauge the demand sentiments of the customers in order to realign our business and strategies for the coming months.

The current trends in broader economic parameters point towards cautious consumer confidence and delays in home buying decisions in the near term. However, the Real Estate Sector nevertheless remains the preferred investment avenue followed by gold and the consumers living on rent are likely to become homebuyers in another couple of years.

## **VI. FINANCE SEGMENT**

The Indian Financial Services market comprises banks, Non-Banking Financial Companies, insurance companies, co-operatives, pension funds, mutual funds and other smaller financial entities. Further, the RBI has approval to allow set-up of payments bank that is expected to revolutionise the financial sector in India as it focuses to conduct banking activities primarily through mobile phones. As per the latest report of IBEF, The banking sector with commercial banks, currently dominates the financial sector by holding over 64% of the total assets of the financial system.

India's slowing economy took a toll on much-needed savings too, with the savings rate touching a 15-year low, and household savings also falling. One major concern the sector was facing was funds flow to the Micro, Small and Medium Enterprises (MSMEs), due to factors ranging from lack of proper policies, unavailability of adequate security from them and primary focus on HNI and corporate

customers. However, the Government of India and RBI have introduced several reforms to liberalise, regulate and enhance this industry and facilitate easy access to finance for Micro, Small and Medium Enterprises (MSMEs). These measures include launching Credit Guarantee Fund Scheme for MSMEs, issuing guidelines to banks regarding collateral requirements and setting up a Micro Units Development and Refinance Agency (MUDRA). With a combined push by Government and private sector, India is undoubtedly one of the world's most vibrant capital markets. In 2017, a new portal named 'Udyami Mitra' was launched by Small Industries Development Bank of India (SIDBI) with an aim to improve credit availability to MSMEs in the country. India has scored a perfect 10 in protecting shareholders' rights on the back of reforms implemented by Securities and Exchange Board of India (SEBI) (Source: Indian Brand Equity Foundation, IBEF).

## **VII. OUTLOOK**

The Management looks forward to take up various land development projects and construction projects relating the development of residential projects (townships, villas, penthouses, studio apartments etc.) and development of commercial complexes etc.

## **VIII. RISKS & CONCERNS**

The Company is exposed to different types of risks such as credit risk, market risk (including liquidity risk, interest rate risk), operational risk and legal risk. The Company monitors credit and market risks, as well as portfolio and operational risk through the oversight of senior management personnel in each of its business segments. Legal risk is subject to the review of the Company's legal department and external advisers. The Company is exposed to specific risks in connection with the management of investments and the environment within which it operates. The Company aims to understand, measure and monitor the various risks to which it is exposed and to ensure that it adheres, as far as reasonably and practically possible, to the policies and procedures established by it to mitigate these risks.

## **IX. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place proper and adequate system of internal controls to ensure that all the assets are safeguarded and protected against loss from unauthorized use or disposition, and to ensure that all transactions are authorised, recorded and reported correctly and adequately.

The Company's internal controls are supplemented by an extensive programme of internal audits, review by management and documented policies, guidelines and procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets. All financial and audit control systems are also reviewed by the Audit Committee of the Board of Directors of the Company.

## **X. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

### **Operations & Financial Review (Standalone)**

The Company has been engaged in the business of real estate and making all the effort to explore and excel in the real estate market.

The summarized profit and loss statement of the Company is as detailed below:

Particulars	For the Financial Year Ended	
	31.03.2020 (In ₹)	31.03.2019 (In ₹)
<b>Revenue</b>		
Revenue from Operations (net)	3,51,57,639.00	5,90,09,140.00
Other income	5,787.00	8,363.00
<b>Total Revenue</b>	<b>3,51,63,426.00</b>	<b>5,90,17,503.00</b>
<b>Expenditure</b>		
Cost of land, plots, development rights, constructed properties and others	1,85,16,400.20	38,260,521.00
Employee benefits expense	57,68,241.79	54,58,212.21
Finance costs	19,98,589.62	21,69,083.33
Depreciation and amortisation expense	13,40,355.00	18,06,308.00
Other Expenses	28,76,278.66	24,62,676.30
<b>Total</b>	<b>3,04,99,865.27</b>	<b>5,01,56,800.84</b>
<b>Profit / (Loss) before exceptional and extraordinary items and tax</b>	<b>46,63,560.73</b>	<b>88,60,702.16</b>
<b>Exceptional items</b>	0.00	0.00
<b>Profit / (Loss) before extraordinary items and tax</b>	<b>46,63,560.73</b>	<b>88,60,702.16</b>
<b>Extraordinary items</b>	0.00	0.00
<b>Profit / (Loss) before tax</b>	<b>46,63,560.73</b>	<b>88,60,702.16</b>
<b>Tax expense</b>		
Current tax	10,89,050.00	23,14,220.00
Earlier years tax	0.00	0.00
Deferred tax	(23,020.00)	(10,440.00)
<b>Total Tax Expense</b>	<b>10,66,030.00</b>	<b>23,03,780.00</b>
<b>Profit / (Loss) from continuing operations</b>	<b>35,97,530.73</b>	<b>65,56,922.16</b>
<b>Profit / (Loss) for the year</b>	<b>35,97,530.73</b>	<b>65,56,922.16</b>
<b>Earnings per equity share</b>	0.23	0.42

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The salient features of the performance are:

- The total revenue has decreased from ₹ 5,90,09,140 in 2018-19 to ₹ 3,51,57,639 in 2019-20.
- The expenses of the Company decreased from ₹ 5,01,56,800.84 in 2018-2019 to ₹ 3,04,99,865,27 in 2019-20.
- The Company has earned a profit of ₹ 3597530.73 during the year 2019-20.
- **Segment-wise or product-wise performance - as detailed in Board's Report.**

**XI. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

Human resource continues to be the backbone of Max' business. The Company lays strong emphasis on attracting and retaining the best talent. Personal developmental initiatives including training, both technical and managerial, are regularly conducted to enhance human potential.

**Cautionary Statement**

*Statements in this Management Discussion and Analysis describing the Company' objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the company' operations include downtrend in the real estate sector, significant changes in political and economic environment in India or key financial markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs.*

Date : 20th August 2020  
Place : New Delhi

Max Heights Infrastructure Limited  
Regd. Off.: SD-65, Tower Apartment,  
Pitampura, New Delhi- 110034  
CIN: L67120DL1981PLC179487  
E-Mail ID: info@maxheights.com

For and on behalf of the Board of Directors  
For Max Heights Infrastructure Limited

Sd/-  
Satish Chander Narang  
Chairman  
DIN: 00095693

Sd/-  
Naveen Narang  
Managing Director  
DIN: 00095708

# **Standalone F.Y. 2019-2020**

# **Independent Auditor's Report**

## **To the Members of M/s. Max heights Infrastructure Limited**

### **Report on the standalone Financial Statements**

#### **Opinion**

We have audited the accompanying Standalone financial statements of **M/s. Max Heights Infrastructure Limited** *which* comprises the Balance Sheet as at March 31, 2020, 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/loss, 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.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, 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 a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We draw your attention to the financial statements, which describes the economic and social disruption the entity is facing as a result of COVID-19 which is impacting supply chain and personnel being able to access offices. Our opinion is not modified in respect of this matter.

## **Responsibility of Management for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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.

That the Board of Directors is also responsible for overseeing the company's financial reporting process

## **Auditor's Responsibility 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:

- Identify and assess the risks of material misstatement of the standalone 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 in place adequate internal financial controls with reference to standalone financial statements 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 and Board of Directors in the standalone financial statements.
- Conclude on the appropriateness of management's and Board of Director'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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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**

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**" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a. 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
- b. 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
- c. 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.
- d. 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.
- e. 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".

**“Annexure A” to the Auditors' Report  
(Referred to in our Audit Report of even date)**

The Annexure referred to in our report to the members of MAX HEIGHTS INFRASTRUCTURE LIMITED for the year Ended on 31<sup>st</sup> March 2020.

- 1)
  - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - b) As explained to us all the assets have been physically verified by the management at regular interval. As informed to us no material discrepancies were noticed on such verification.
  - c) The title deeds of immovable properties are held in the name of the company.
- 2)
  - a) The inventory has been physically verified during the year by management. In our opinion, the frequency of verification is reasonable
  - b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) The company has maintained proper records of inventory and no material discrepancies were noticed on physical verification as compare to book records.
- 3) The company has not granted unsecured loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013 during the year and in our opinion, hence para (a) and (b) are not applicable.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees and security.
- 5) In our opinion and according to the information and explanation given to us, the company has not accepted any deposits in contravention of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under, where applicable, have been complied with. No order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any court or any other tribunal.
- 6) According to the information and explanation given to us, government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the products of the company.

- 7) a) According to our opinion the company is regular in depositing undisputed statutory dues including income-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
- Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the companies Act 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.
- b) According to information and explanation given to us, there are no dues on account of income tax or sales tax or wealth 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.
- c) According to information and explanation given to us, there is no amount which is required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder.
- 8) According to information and explanations given to us, the company has not defaulted in repayment of any dues to a financial institution or bank or debenture holders during the year of audit.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For Praveen Om Jain & Co**  
**Chartered Accountants**  
**F.R.N. 019993N**

**(Praveen Kumar)**  
**Partner**  
**M. No. 503734**  
**UDIN: 20503734AAAAAX1386**

**Place: New Delhi**  
**Date: 27.06.2020**

**“Annexure B” to the Auditors' Report**  
(Referred to in our Audit Report of even date)

The Annexure referred to in our report to the members of **MAX HEIGHTS INFRASTRUCTURE LIMITED** for the year Ended on **31<sup>st</sup> March 2020**.

**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 **MAX HEIGHTS INFRASTRUCTURE LIMITED** as of March 31, 2020 in conjunction with our audit of the consolidated 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal

financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting \**

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

## **Opinion**

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

**For Praveen Om Jain & Co**  
**Chartered Accountants**  
**F.R.N. 019993N**

**(Praveen Kumar)**  
**Partner**  
**M. No. 503734**  
**UDIN: 20503734AAAAAX1386**

**Place: New Delhi**  
**Date: 27.06.2020**



**MAX HEIGHTS INFRASTRUCTURE LIMITED**  
**SD-65, PITAMPURA, NEW DELHI - 110034**  
**CIN: L67120DL1981PLC179487**

**Balance Sheet as at March 31, 2020**

Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of the previous reporting period
1	2	3	4
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	2.1	80,10,446.00	93,50,801.00
(b) Financial Assets			
(i) Investments	2.2	4,98,64,800.00	4,98,64,800.00
(ii) Loans			
(iii) Others (to be specified)	2.3	1,00,000.00	1,00,000.00
(c) Deferred tax assets (net)	2.4	6,55,655.00	6,32,635.00
(d) Other non-current assets		-	-
		<u>5,86,30,901.00</u>	<u>5,99,48,236.00</u>
<b>(2) Current assets</b>			
(a) Inventories	2.5	26,27,89,798.00	20,84,59,963.20
(b) Financial Assets			
(i) Investments	2.2	89,917.72	89,917.72
(ii) Trade receivables	2.6	20,66,227.00	16,60,597.00
(iii) Cash and cash equivalents	2.7	15,60,321.05	1,25,76,508.27
(v) Loans	2.8	4,46,85,755.00	6,24,28,547.00
(vi) Others (to be specified)	2.3	1,44,10,966.00	1,44,13,111.00
(c) Current Tax Assets (Net)			
(d) Other current assets	2.9	51,65,346.00	1,65,266.85
		<u>33,07,68,330.77</u>	<u>29,97,93,911.04</u>
<b>Total Assets</b>		<b>38,93,99,231.77</b>	<b>35,97,42,147.04</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	2.10	15,60,92,250.00	15,60,92,250.00
(b) Other Equity		13,20,36,302.97	12,78,66,683.24
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	2.11	7,06,32,534.00	4,61,88,335.00
(ii) Trade payables			
(iii) Other financial liabilities (other than those specified in item (b), to be specified)	2.12	10,00,000.00	9,00,000.00
(b) Provisions			
(c) Deferred tax liabilities (Net)			
(d) Other non-current liabilities			
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	2.11	2,57,86,773.00	1,60,37,460.00
(ii) Trade payables	2.13	7,71,312.00	1,97,700.00
(iii) Other financial liabilities (other than those specified in item (c))	2.12	19,91,009.80	1,01,45,498.80
(b) Other current liabilities			
(c) Provisions	2.14	10,89,050.00	23,14,220.00
(d) Current Tax Liabilities (Net)		-	-
<b>Total Equity and Liabilities</b>		<b>38,93,99,231.77</b>	<b>35,97,42,147.04</b>
<b>Significant Accounting Policies</b>	1		

See accompanying notes to the financial statements

In terms of our report attached  
For Praveen Om Jain & Co.  
Chartered Accountants  
Firm Regd. No. 019993N  
Sd/-  
Praveen Kumar  
Prop.  
Membership No. 503734  
Date : 27.06.2020  
Place : New Delhi

For and on behalf of the Board of Directors

Sd/-  
Vandita Arora  
Company Secretary  
M.No. 61149

Sd/-  
Satish Chander Narang  
Director  
DIN: 00095693

Sd/-  
Naveen Narang  
Director  
DIN: 00095708

**MAX HEIGHTS INFRASTRUCTURE LIMITED**  
**SD-65, PITAMPURA, NEW DELHI - 110034**  
**CIN: L67120DL1981PLC179487**

**Statement of Profit & Loss for the year ended March 31, 2020**

Particulars	Note No.	Figures for the current reporting period	Figures for the previous reporting period
		Rs.	Rs.
Revenue From Operations	2.15	3,51,57,639.00	5,90,09,140.00
Other Income	2.16	5,787.00	8,363.00
<b>Total Income (I+II)</b>		<b>3,51,63,426.00</b>	<b>5,90,17,503.00</b>
<b>EXPENSES</b>			
Cost of land, plots, development rights, constructed properties and others	2.17	1,85,16,400.20	3,82,60,521.00
Employee benefits expense	2.18	57,68,241.79	54,58,212.21
Finance costs	2.19	19,98,589.62	21,69,083.33
Depreciation and amortization expense	2.1	13,40,355.00	18,06,308.00
Other expenses	2.20	28,76,278.66	24,62,676.30
<b>Total expenses (IV)</b>		<b>3,04,99,865.27</b>	<b>5,01,56,800.84</b>
<b>Profit/(loss) before exceptional items and tax (I-IV)</b>		<b>46,63,560.73</b>	<b>88,60,702.16</b>
VI Exceptional Items		-	-
<b>Profit/(loss) before tax (V-VI)</b>		<b>46,63,560.73</b>	<b>88,60,702.16</b>
Tax expense:			
VIII (1) Current tax		10,89,050.00	23,14,220.00
(2) Deferred tax		-23,020.00	-10,440.00
		<b>10,66,030.00</b>	<b>23,03,780.00</b>
IX Profit (Loss) for the period from continuing operations (VII-VIII)		35,97,530.73	65,56,922.16
X Profit/(loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII Profit/(loss) for the period (IX+XII)		35,97,530.73	65,56,922.16
Other Comprehensive Income		-	-
A (i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
XIV B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
<b>Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>35,97,530.73</b>	<b>65,56,922.16</b>
Earnings per equity share (for continuing operation):			
XVI (1) Basic		0.23	0.42
(2) Diluted		0.23	0.42
Earnings per equity share (for discontinued operation):			
XVII (1) Basic		-	-
(2) Diluted		-	-
<b>Earnings per equity share(for discontinued &amp; continuing operations)</b>			
XVIII (1) Basic		0.23	0.42
(2) Diluted		0.23	0.42

See accompanying notes to the financial statements

In terms of our report attached  
For Praveen Om Jain & Co.  
Chartered Accountants  
Firm Regd. No. 019993N  
Sd/-  
Praveen Kumar  
Prop.  
Membership No. 503734  
Date : 27.06.2020  
Place : New Delhi

For and on behalf of the Board of Directors

Sd/-  
Vandita Arora  
Company Secretary  
M.No. 61149

Sd/-  
Satish Chander Narang  
Director  
DIN: 00095693

Sd/-  
Naveen Narang  
Director  
DIN: 00095708

**MAX HEIGHTS INFRASTRUCTURE LIMITED**  
**SD-65, PITAMPURA, NEW DELHI - 110034**  
**CIN: L67120DL1981PLC179487**

**STATEMENT OF CASH FLOW**

Effective April 1, 2017, the Company adopted the amendment to IndAS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements.

Particulars	For the year ended March 31,2020	For the year ended March 31,2019
	Rs.	Rs.
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	46,63,560.73	88,60,702.16
<u>Adjustments for:</u>		
Depreciation and amortisation	13,40,355.00	18,06,308.00
Interest Received	(50,85,139.00)	(72,13,040.00)
Interest	19,98,589.62	21,69,083.33
Less: Profit on sale of Vehicle	-	(4,212.00)
Less: Last Year Provision	5,72,089.00	43,166.00
Operating profit / (loss) before working capital changes	34,89,455.35	56,62,007.49
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	(5,43,29,834.80)	(4,66,00,928.00)
Trade receivables	(4,05,630.00)	3,96,331.00
Short Term Loans & Advances	1,77,42,792.00	50,83,163.00
Other current assets	(49,97,934.15)	(47,45,172.54)
Short Term Provisions	(12,25,170.00)	9,87,280.00
Trade Payable & Other liabilities	(74,80,877.00)	79,38,624.33
Cash Generated from Operating activities	(4,72,07,198.60)	(3,12,78,694.72)
Taxes Paid	10,89,050.00	23,14,220.00
<b>Net Cash Flow from operating activities</b>	<b>(4,82,96,248.60)</b>	<b>(3,35,92,914.72)</b>
<b>B. Cash Flow from Investing Activities</b>		
Addition to Investments	-	-
Purchase of Fixed Assets	-	(62,03,366.00)
Sale of Fixed Assets	-	70,000.00
Interest received	50,85,139.00	72,13,040.00
<b>Net Cash Flow from Investing Activities</b>	<b>50,85,139.00</b>	<b>10,79,674.00</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Borrowing	3,41,93,512.00	4,64,23,048.00
Interest Payments	(19,98,589.62)	(21,69,083.33)
	3,21,94,922.38	4,42,53,964.67
<b>Net Cash Flow during the year (A+B+C)</b>	<b>(1,10,16,187.22)</b>	<b>1,17,40,723.95</b>
Cash & Cash Equivalent (Opening Balance) (D)	1,25,76,508.27	8,35,784.32
Cash & Cash Equivalent (Closing Balance) (E)	15,60,321.05	1,25,76,508.27
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(1,10,16,187.22)</b>	<b>1,17,40,723.95</b>

In terms of our report attached  
For Praveen Om Jain & Co.  
Chartered Accountants  
Firm Regd. No. 019993N  
Sd/-  
Praveen Kumar  
Prop.  
Membership No. 503734  
Date : 27.06.2020  
Place : New Delhi

For and on behalf of the Board of Directors

Sd/-  
Vandita Arora  
Company Secretary  
M.No. 61149

Sd/-  
Satish Chander Narang  
Director  
DIN: 00095693

Sd/-  
Naveen Narang  
Director  
DIN: 00095708

## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION**

### **CORPORATE INFORMATION**

**MAXHEIGHTS INFRASTRUCTURE LIMITED ('the Company')** incorporated in India on July 28, 1981, a company incorporated under the laws of India. The Company's shares are publicly traded on the Bombay Stock Exchange ('BSE'), India and Calcutta Stock Exchange. The Registered office of the Company is situated at SD – 65, Tower Apartments Pitampura New Delhi - 110034

### **NATURE OF PRINCIPAL ACTIVITIES**

Maxheights Infrastructure Limited ('the Company') is engaged primarily in the business of real estate development. The operations of the Company span all aspects of real estate development, from the identification and acquisition of land, to planning, execution, construction and marketing of projects. The Company is also engaged in the business of maintenance services and recreational activities which are related to the overall development of real estate business. The Company is domiciled in India.

### **GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS**

These standalone financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

### **BASIS OF PREPARATION**

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

### **RECENT ACCOUNTING PRONOUNCEMENT**

#### **Impact of Covid 19 Pandemic**

Post declaration of COVID-19 as a pandemic by the World Health Organization, the Government in India and across the world have taken significant measures to curtail the wide spread of virus, including country wide lockdown and restriction in economic activities.

In view of such lockdowns, operations at Company facilities in India were scaled down from the end week of March 2020 and the immediate steps were taken to counter the issues. In view of the impact of COVID-19, the Company has assessed the carrying amounts of property, plant and equipment, inventories, trade receivables, and other assets. In assessing the recoverable value of such assets, the Company has considered various internal and external information such as existing long-term arrangements with customers and vendors, long-term business plan, cash flow forecasts and possible future uncertainties in economic conditions because of the pandemic including lockdowns and supply chain disruptions across various geographies of the world. As per the Company's current assessment of recoverability of these assets no significant impact on carrying amounts of these assets is expected.

The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements and the Company continues to closely monitor the situation including any material changes to future economic conditions and consequential impact on its financial statements

### **Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed wherever required

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared using the significant accounting policies and measurement basis summarized below. These were used throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to IndAS as summarised

### **1.1 Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

## 1.2 Property, plant and equipment

### Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred

### Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives (as set-out below) prescribed in Schedule II to the Act:

S.No.	Assets	Life as per schedule II	Life Taken
1.	Vehicles	8 Years	8 Years
2.	Computers	3 Years	3 Years
3.	Mobile Phone	5 Years	5 Years
4.	Office Equipment	5 years	5 years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

### De-recognition

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

### Impairment

At each balance sheet date, the Company reviews the carrying value of tangible and intangible assets for any possible impairment. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is determined as higher of the asset's net selling price or estimated future cash flows expected to arise from the continuing use of the assets and from their disposal at the end of their useful lives, which are discounted to their present value based on appropriate discount rates. For the purpose of assessing impairment, assets are grouped at the levels for which there are separately identifiable cash flows (cash generating unit). Assessment is done at each

Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting period may no longer exist or may have decreased.

### **1.3 Revenue recognition**

Revenue is recognized when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of revenue transaction the details of same is mentioned under note no. 2.15

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

### **1.4 Financial Instruments**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below

#### **a. Investment in equity instruments of subsidiaries, joint ventures and associates**

Investment in equity instruments of subsidiaries, joint ventures and associates are stated at cost as per Ind AS 27 'Separate Financial Statements

#### **b. Investments in other equity instruments\**

Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL)

**c. Investments in mutual funds**

Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

**De-recognition of financial assets**

A financial asset is primarily de-recognized when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

**Other financial assets**

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

**1.5 Inventories**

Inventories are valued as under:

Land and plots other than area transferred to constructed properties at the commencement of construction are valued at lower of cost/approximate average cost/as re-valued on conversion to stock and net realisable value. Cost includes land (including development rights) acquisition cost, borrowing cost, estimated internal development costs and external development charges



Cost of construction/development material is valued at lower of cost or net realisable value.

Building material and consumable stores are valued at cost, which is determined on the basis of FIFO

Land is valued at cost, which is determined on average method. Cost includes cost of acquisition and all related costs.

Unsold Portion / Portion under construction is shown at cost under the head stock in trade Construction Activity.

#### **1.6 Advances for Assets**

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under Short Term Loans & Advances. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

#### **1.7 Foreign Currency Transactions**

The Company had not done any foreign currency transactions during the year.

#### **1.8 Employee Benefits**

Short term employee benefits are recognized in the year during which the services have been rendered.

The employees of the Company are entitled to compensate absences which are non-accumulating in nature. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

No employee of the company has been into employment of the company for more than 5 Years. Therefore no provision is accrued for gratuity and leave encashment

#### **1.9 Borrowing Cost**

Financial Costs relating to borrowed funds attributable to the acquisition or construction of fixed assets which takes substantial period of time to get ready for its intended use is capitalized as part of the cost of that asset. The interest cost incurred for funding a qualifying asset during the construction period is capitalized based on actual investment in the asset at the average interest rate for specific borrowings. However, financing costs (including interest) on fixed assets purchased on deferred credit basis or on the monies borrowed for the construction or acquisition of fixed assets are not capitalized to the extent that such costs relate to periods after such assets are ready to be put to use.

#### **1.10 Taxes on Income**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss. Current income tax for current and

prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. (Refer Note 2.4)

#### **1.11 Trade Receivable**

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. (For Details regarding Type of Trade Receivable and expected Loss refer Note 2.6)

#### **1.12 Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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.

S.No.	PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
A.	Net Profit Available for Shareholders	3597530.73	6556922.16
B.	No. of Equity Shares	15609225	15609225
C.	EPS	0.23	0.42
D.	Diluted No. of Equity Share	-	-
E.	DEPS	0.23	0.42

### 1.13 Cash & Cash equivalents

Cash and cash equivalents comprise of cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

Cash in hand has been certified by the management at the close of the year

### 1.14 Current Assets

In the opinion of the management, current assets, loans & advances have the value on the realization in the ordinary course of business equal to the amount at which they are stated and all known liabilities have been adequately provided for.

### 1.15 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements.

## 1.16 Provisions and Contingencies

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liability has been disclosed in accordance with AS-29, issued by The Institute of Chartered Accountant of India

As per our report of even date  
For Praveen Om Jain & Co.  
Chartered Accountants  
Firm Regd. No. 019993N  
Sd/-  
Praveen Kumar  
Partner  
Membership No. 503734  
Date : 27.06.2020  
Place : New Delhi

For and on behalf of the Board

Sd/-  
Vandita Arora  
Company Secretary  
M.No. 61149

Sd/-  
Satish Chander Narang  
Director  
DIN: 00095693

Sd/-  
Naveen Narang  
Director  
DIN: 00095708

**MAX HEIGHTS INFRASTRUCTURE LIMITED**  
**SD-65, PITAMPURA, NEW DELHI - 110034**

**Notes forming part of the financial statements**

**2.1 PROPERTY, PLANT AND EQUIPMENT**

**Accounting Policies**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

S.No.	Assets	Life as per schedule II	Life Taken
1	Vehicles	8 Years	8 Years
2	Computers	3 Years	3 Years
3	Mobile Phone	5 Years	5 Years
4	Office Equipment	5 years	5 years

"@Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets."

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

**Impairment**

At each balance sheet date, the Company reviews the carrying value of tangible and intangible assets for any possible impairment. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is determined as higher of the asset's net selling price or estimated future cash flows expected to arise from the continuing use of the assets and from their disposal at the end of their useful lives, which are discounted to their present value based on appropriate discount rates. For the purpose of assessing impairment, assets are grouped at the levels for which there are separately identifiable cash flows (cash generating unit). Assessment is done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting period may no longer exist or may have decreased.

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2020:

Particulars	Vehicle	Office Equipment	Computer	Mobile Phone	Total
Gross carrying value as at April 1, 2019	2,15,21,699.00	69,700.00	1,37,280.00	1,33,000.00	2,18,61,679.00
Additions	-	-	-	-	-
Deletions	-	-	-	-	-
<b>Gross carrying value as at March 31, 2020</b>	<b>2,15,21,699.00</b>	<b>69,700.00</b>	<b>1,37,280.00</b>	<b>1,33,000.00</b>	<b>2,18,61,679.00</b>
Accumulated depreciation as at April 1, 2019	1,22,53,819.00	66,215.00	1,30,416.00	60,428.00	1,25,10,878.00
Depreciation	13,26,675.00	-	-	13,680.00	13,40,355.00
Accumulated depreciation on deletions	-	-	-	-	-
<b>Accumulated depreciation as at March 31, 2020</b>	<b>1,35,80,494.00</b>	<b>66,215.00</b>	<b>1,30,416.00</b>	<b>74,108.00</b>	<b>1,38,51,233.00</b>
<b>Carrying value as at March 31, 2020</b>	<b>79,41,205.00</b>	<b>3,485.00</b>	<b>6,864.00</b>	<b>58,892.00</b>	<b>80,10,446.00</b>
<b>Carrying value as at April 1, 2019</b>	<b>92,67,880.00</b>	<b>3,485.00</b>	<b>6,864.00</b>	<b>72,572.00</b>	<b>93,50,801.00</b>

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**Notes forming part of the financial statements**

**2.2 FINANCIAL ASSETS**

**Initial recognition**

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

**2.2.1 INVESTMENT**

Investments are either classified as current or long-term based on Management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value of each investment individually. Long term investments are carried at cost less provisions recorded to recognize any decline, if any, other than temporary, in the carrying value of each investment

For Accounting Policies please refer note no. 1

***Non-current investments***

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Unquoted	Unquoted
	Rs.	Rs.
<b><u>Other Investments (Refer Note A Below)</u></b>		
(a) Investment in Properties		
(b) Investment in Equity Instrument	4,98,64,800.00	4,98,64,800.00
<i>(Investment Stated as cost)</i>		
(c) Investment in Preference Shares	-	-
	-	-
Total	4,98,64,800.00	4,98,64,800.00
Less : Provision for diminution in the value of Investments	-	
<b>Total</b>	<b>4,98,64,800.00</b>	<b>4,98,64,800.00</b>

## Details of Other Investments - F.Y. 2019-20

Name of the Body Corporate	M/s Maxheights Township & Projects Private Limited	M/s Maxheights Promoters Private Limited	M/s Icon Realcon Private Limited	M/s Maxheights Realtors Limited	M/s Maxheights Developers Private Limited	M/s Ranjitgarh Finance Company Private Limited	M/s New Delhi Realcon Private Limited
Subsidiary / Associate / JV/ Controlled Entity / Others	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Associates	Other	Other
No of Share/Units	6,00,000	13,00,000	7,40,000	20,00,000	2,50,000	3,88,800	5,76,000
Quoted / Unquoted	Unquoted	Unquoted	Unquoted	Unquoted	Unquoted	Unquoted	Unquoted
Party Paid/ Fully Paid	Fully Paid	Fully Paid	Fully Paid	Fully Paid	Fully Paid	Fully Paid	Fully Paid
Extend of Holding	54.86%	65%	74%	100%	47.17%	9.98%	19.96%
Amount Invested as on 31st March 2020	60,00,000	1,30,00,000	74,00,000	2,00,00,000	25,00,000	3,88,800	5,76,000
Amount Invested as on 1st April 2019	60,00,000	1,30,00,000	74,00,000	2,00,00,000	25,00,000	3,88,800	5,76,000



## Current investments

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Quoted	Quoted
	Rs.	Rs.
<b><u>Non Trade, Unquoted and Fully Paid</u></b>		
<i>(Investment stated at Cost)</i>		
Investment in Mutual Funds		
Axis Equity Fund	89,917.72	89,917.72
<b>Total</b>	<b>89,917.72</b>	<b>89,917.72</b>

## 2.3 Other Financial Assets

Particulars	As at 31 March, 2020 Rs.	As at 31 March, 2019 Rs.
<b><u>Non Currents</u></b>		
Security Deposit Unsecured Considered Good		
- Ansal Prop. & Infra. Ltd.	1,00,000.00	1,00,000.00
<b>Total</b>	<b>1,00,000.00</b>	<b>1,00,000.00</b>
<b><u>Current</u></b>		
Balances with government authorities		
Unsecured, considered good		
(i) FBT Refundable	37,878.00	37,878.00
(ii) Income Tax Refund Refundable	27,02,656.00	16,84,956.00
(iii) Advance Income Tax	6,24,000.00	7,54,000.00
(iv) TDS/TCS	10,43,846.00	19,33,691.00
(v) Income Tax Demand (Appeal)	25,000.00	25,000.00
(vi) Cess Refundable	53,370.00	53,370.00
Others		
(i) Deposits (Booking of Plot & Flat)	99,01,899.00	99,01,899.00
(ii) Other	22,317.00	22,317.00
<b>Total</b>	<b>1,44,10,966.00</b>	<b>1,44,13,111.00</b>
<b>Total</b>	<b>1,45,10,966.00</b>	<b>1,45,13,111.00</b>

**Notes forming part of the financial statements**

**2.4 Deferred Tax Assets (Net)**

**Accounting Policy**

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

"Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority."

The gross movement in the deferred income tax account for the year ended March 31, 2020 are as follows:

Particulars	Deferred Tax Liability/(Asset) As at 01.04.2019	Change in Current Year	Deferred Tax Liability/(Asset) As at 31.03.2020
Difference between book and tax depreciation	-3,13,030.00	-23,020.00	-3,36,050.00
Brought Forward Unabsorbed Business Loss (2007-08)	-2,67,801.00	-	-2,67,801.00
Brought Forward Unabsorbed Depreciation (2007-08)	-53,806.00	-	-53,806.00
Others (Loss on Sale of Fixed Assets)	2,002.00	-	2,002.00
<b>Total</b>	<b>-6,32,635.00</b>		<b>-6,55,655.00</b>

## 2.5 Inventories

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
<i>Finished Goods</i>		
Real Estate	26,27,89,798.00	20,84,59,963.20
<b>Total</b>	<b>26,27,89,798.00</b>	<b>20,84,59,963.20</b>

@Valued at cost, unless otherwise stated

## 2.6 Trade Receivables

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
<i>Current</i>		
Unsecured Considered Good	20,66,227.00	16,60,597.00
<i>Less: Allowance for Credit Loss (refer below)</i>	-	-
<b>Total</b>	<b>20,66,227.00</b>	<b>16,60,597.00</b>

### Expected credit loss for trade receivables under simplified approach

#### Real estate business

The Company's trade receivables does not have any expected credit loss as registry of properties sold is generally carried out once the Company receives the entire payment. During the periods presented, the Company made no write-offs of trade receivables and no recoveries from receivables previously written off

#### "Rental business"

In respect of trade receivables, the Company considers provision for lifetime expected credit loss. Given the nature of business operations, the Company's trade receivables has low credit risk as the Company holds security deposits equivalents ranging from three to six months rentals. Further historical trends indicate any shortfall between such deposits held by the Company and amounts due from customers have been negligible

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**Notes forming part of the financial statements**

**2.7 Cash and Cash Equivalents**

**Accounting Policy**

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Balance with Banks		
In Current Accounts	14,64,691.62	1,24,39,046.24
In Deposits	-	-
Cash in Hand	95,629.43	1,37,462.03
<b>Total</b>	<b>15,60,321.05</b>	<b>1,25,76,508.27</b>

Cash and cash equivalents as at March 31, 2020 and March 31, 2019 include restricted cash and bank balances of ₹ 293131.35 and ₹ 294051.75 respectively. The restrictions are primarily on account of bank balances held in unpaid dividend bank accounts.

The deposits maintained by the Company with banks and financial institution comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal

**2.8 Loans**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
<b>Current</b>		
Unsecured Considered Good	-	-
Loans to Employees	2,63,700.00	2,03,700.00
Other Loans	4,44,22,055.00	6,22,24,847.00
	4,46,85,755.00	6,24,28,547.00
Less: Allowance for Credit Loss	-	-
<b>Total</b>	<b>4,46,85,755.00</b>	<b>6,24,28,547.00</b>

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**Notes forming part of the financial statements**

**2.9 Other Current Assets**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
<i>Prepaid Expense</i>		
Insurance	1,65,346.00	1,19,401.06
Other	-	20,821.79
Advances Recoverable	50,00,000.00	25,044.00
<b>Total</b>	<b>51,65,346.00</b>	<b>1,65,266.85</b>

**2.10 Statement of Change in Equity**

For F.Y. 2019-20

Particulars	Equity Share Capital	Other Equity							Total Equity attributable to equity holders of the Company	
		Reserves & Surplus						Other Comprehensive Income		
		Security Premium Account	Retained Earning	General Reserve	Share options Outstanding	Capital Reserve				Capital Redemption Reserve
						Capital Reserve	Business transfer adjustment reserve			
Balance as on April 1, 2019	156,092,250.00	127,728,000.00	35,234,205.16	-	-	-35,095,521.92	-	-	277,358,845.08	
Changes in equity for the year ended March 31, 2019	-	-	-	-	-	-	-	-	-	
Dividends (including dividend distribution tax)	-	-	-	-	-	-	-	-	-	
Profit for the Period	-	-	3,597,530.73	-	-	-	-	-	3,597,530.73	
Less: Provision for Last year			572,089.00						572,089.00	
Balance as on March 31, 2020	156,092,250.00	127,728,000.00	39,403,824.89	-	-	-35,095,521.92	-	-	281,528,464.81	

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**Notes forming part of the financial statements**

**2.11 Borrowings**

Particulars	Non Current		Current	
	As on March 31, 2020	As on March 31, 2019	As on March 31, 2020	As on March 31, 2019
<b>Secured</b>				
ICICI Bank Limited	12,79,070.00	18,88,683.00		
Less: Amount disclosed under other current liabilities as 'Current maturities of long-term borrowings'	-6,70,118.00	-6,09,613.00		
Yes Bank Limited	22,18,526.00	27,36,404.00		
Less: Amount disclosed under other current liabilities as 'Current maturities of long-term borrowings'	-5,65,632.00	-5,17,878.00		
	<u>22,61,846.00</u>	<u>34,97,596.00</u>	-	-
<b>Unsecured</b>				
Loans and advances from related parties	6,83,70,688.00	4,26,90,739.00	-	-
Other			2,57,86,773.00	1,60,37,460.00
	<u>7,06,32,534.00</u>	<u>4,61,88,335.00</u>	<u>2,57,86,773.00</u>	<u>1,60,37,460.00</u>

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**Notes forming part of the financial statements**

**Additional Disclosure regarding Non Current Borrowings**

1. Unsecured Loan from Related parties consists of Loan from Directors/Shareholders and are Interest Free loan. The Details of same as under

Particulars	Loans and advances from related parties - Non Current	
	As on March 31, 2020	As on March 31, 2019
Mansi Narang	3,45,00,000.00	1,10,00,000.00
Naveen Narang HUF	-	45,00,000.00
Manan Narang	50,70,688.00	46,90,739.00
Naveen Narang	2,88,00,000.00	2,25,00,000.00
<b>Total</b>	<b>6,83,70,688.00</b>	<b>4,26,90,739.00</b>

**Additional Disclosure regarding Current Borrowings**

Particulars	Loans and advances from Others - Current	
	As on March 31, 2020	As on March 31, 2019
Dolf Leasing Limited (Borrowed at rate of Interest @ 9%)	-	40,37,460.00
Jagtarni Traders Private Limited (Borrowed at rate of Interest @ 9%)	-	1,20,00,000.00
Meridian Securities Private Limited (Borrowed at rate of Interest @ 12%)	2,05,50,060.00	-
Rajan Wadhwa Estates Pvt Ltd (Borrowed at rate of Interest @ 10%)	52,36,713.00	-
<b>Total</b>	<b>2,57,86,773.00</b>	<b>1,60,37,460.00</b>

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**Notes forming part of the financial statements**

**2.12 Other Financial Liabilities**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
<b>Non Current</b>		
Rental Security		
B2B Hospitality Private Limited	-	9,00,000.00
Lokdhun Telemedia (P) Ltd	10,00,000.00	-
	10,00,000.00	9,00,000.00
<b>Current</b>		
Current maturities of long-term debt - Secured		
ICICI Bank Ltd	6,70,118.00	6,09,613.00
Yes Bank	5,65,632.00	5,17,878.00
Other payables		
i) Statutory remittances		
TDS Payable	2,24,760.00	1,32,633.00
Dividend unpaid a/c	2,69,652.75	2,69,652.75
GST Payable	90,300.00	1,16,058.00
(ii) Advances from Customers	-	82,50,000.00
(iii) Expenses payable		
Audit fees	1,12,500.00	1,12,500.00
Others	58,047.05	1,37,164.05
	19,91,009.80	1,01,45,498.80
<b>Total</b>	<b>29,91,009.80</b>	<b>1,10,45,498.80</b>



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**Notes forming part of the financial statements**

**2.13 Trade Payables**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
<b>Current</b>		
Trader Payables	7,71,312.00	1,97,700.00
<i>As the company has not received any information from any of the creditors of their being a micro or small scale industries undertaking hence amount due to micro or small scale industrial undertaking as on the balance sheet are not ascertainable.</i>		
<b>Total</b>	<b>7,71,312.00</b>	<b>1,97,700.00</b>

**2.14 Provisions**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
<b>Current</b>		
Provisions for Income tax	10,89,050.00	23,14,220.00
<b>Total</b>	<b>10,89,050.00</b>	<b>23,14,220.00</b>

Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized

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**Notes forming part of the financial statements**

**2.15 Revenue from Operations**

In Respect of Real Estate Transaction

Definition of 'revenue' given in the Ind AS 18 is broad compared to the definition of 'revenue' given in existing AS 9 because it covers all economic benefits that arise in the ordinary course of activities of an entity which result in increases in equity, other than increases relating to contributions from equity participants. On the other hand, as per the existing AS 9, revenue is gross inflow of cash, receivables or other consideration arising in the course of the ordinary activities of an enterprise from the sale of goods, from the rendering of services, and from the use by others of enterprise resources yielding interest, royalties and dividends.

In case of Real Estate transaction, the same is recognised only when registry of same is done only after entire payment relating to same is recovered from the customer thus adoption of IND AS 18 doesn't have any impact on revenue recognition.

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Sale of Real Estate/ Property	2,33,00,000.00	4,43,00,000.00
Lease Rental	51,57,900.00	74,96,100.00
Commission Income	16,14,600.00	
Interest Income		
Bank Deposit	5,87,092.00	2,09,876.00
Loans & Advances	44,98,047.00	70,03,164.00
<b>Total</b>	<b>3,51,57,639.00</b>	<b>5,90,09,140.00</b>

**Additional Disclosure Regarding Revenue Recognition**

**1. Sale of land and plots**

Sale of land and plots (including development rights) is recognized in the financial year in which the agreement to sell/application forms (containing salient terms of agreement to sell) is executed and there exists no uncertainty in the ultimate collection of consideration from buyers. Where the Company has any remaining substantial obligations as per agreements, revenue is recognized on 'percentage of completion method' as explained above under 'revenue from real estate projects'.

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**Notes forming part of the financial statements**

**2. Rental Income**

Rental income is recognized on a straight-line basis over the terms of the lease, except for contingent rental income which is recognized when it arises and where scheduled increase in rent compensates the lessor for expected inflationary costs. Parking income and fit out rental income is recognized in statement of profit and loss on accrual basis.

**3. Interest income**

Interest income is recorded on accrual basis using the effective interest rate (EIR) method

**2.16 Other Income**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Profit on sale of car	-	4,212.00
Discount Received	-	4,151.00
Other Interest	5,787.00	-
		-
<b>Total</b>	<b>5,787.00</b>	<b>8,363.00</b>

**2.17 Cost of land, plots, development rights, constructed properties and others**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Inventory at beginning of the year (Real Estate)	20,84,59,963.20	16,18,59,035.20
Add: Purchases & Cost of construction during the year	7,28,46,235.00	8,48,61,449.00
	28,13,06,198.20	24,67,20,484.20
Less: Inventory at the closing of the year	26,27,89,798.00	20,84,59,963.20
	1,85,16,400.20	3,82,60,521.00
<b>Total</b>	<b>1,85,16,400.20</b>	<b>3,82,60,521.00</b>

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**Notes forming part of the financial statements**

**2.18 Employee benefits expense**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Salaries	31,70,434.00	31,59,034.00
Director's Remuneration	24,00,000.00	21,20,000.00
Keyman Insurance Policy	1,97,807.79	1,79,178.21
<b>Total</b>	<b>57,68,241.79</b>	<b>54,58,212.21</b>

**2.19 Finance Cost**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
<b>Interest on</b>		
Car Loan	3,74,897.00	1,60,139.33
Borrowings	16,19,141.00	19,79,141.00
Other - Statutory Interest		
On TDS	24.00	2,093.00
On GST	-	9,850.00
Bank Charges	4,527.62	17,860.00
<b>Total</b>	<b>19,98,589.62</b>	<b>21,69,083.33</b>

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**Notes forming part of the financial statements**

**2.20 Other Expenses**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Insurance	1,92,143.06	2,12,897.25
Telephone Charges	49,603.00	52,251.00
Printing And Stationery	78,450.00	47,590.00
Electricity, GAS And Water Expenses	7,23,553.00	5,69,112.00
Advertisement	1,82,812.00	1,44,530.00
Website Maint.	15,647.00	15,647.00
Vehicle Running and Maintenance	1,50,617.00	69,845.00
Filing Fees	43,600.00	12,200.00
Legal and Professional Charges	8,11,800.00	6,50,436.00
Annual Fees (BSE)	3,54,000.00	2,50,000.00
Annual General Meeting Expenses	30,250.00	24,750.00
General Expenses	6,503.00	9,360.00
Postage and Courier	112.60	679.00
Processing Charges	24,047.00	59,116.00
House tax	-	1,50,336.00
NCLT Application Fees	1,000.00	-
Repair & Maintenance	87,141.00	68,927.05
Payment to Auditors		
<i>As Auditors - Statutory Audit</i>	1,25,000.00	1,25,000.00
<b>Total</b>	<b>28,76,278.66</b>	<b>24,62,676.30</b>

#### 4. Notes to the Accounts

##### I. EXPENDITURE/EARNINGS IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Expenditure		
On account of:		
Traveling	NIL	NIL
Interest	NIL	NIL
<b>Total:-</b>	<b>NIL</b>	<b>NIL</b>
Earnings		
Sale	NIL	NIL
<b>Total:-</b>	<b>NIL</b>	<b>NIL</b>

##### II. CIF VALUE OF IMPORTS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Raw Materials	NIL	NIL
Consumables	NIL	NIL
Finished Goods	NIL	NIL
Capital Goods	NIL	NIL
<b>Total:-</b>	<b>NIL</b>	<b>NIL</b>

##### III. AUDITORS' REMUNERATION®

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Audit Fee	125000.00	125000.00
<b>Total:-</b>	<b>125000.00</b>	<b>125000.00</b>

##### IV. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

The information regarding applicability of MSMED Act, 2006 to the various suppliers/parties is not available with the assessee, hence information as required vide Clause 22 of Chapter V of MSMED Act, 2006 is not been given.

##### V. DIRECTORS' REMUNERATION

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salary	24.00 Lacs	21.20 Lacs
Others	Nil	Nil
<b>Total:-</b>	<b>24.00 Lacs</b>	<b>21.20 Lacs</b>

## VI. RELATED PARTY DISCLOSURES

In accordance with the requirements of Accounting Standards (AS) -18 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

Sr. No.	Name of Related Party	Relationship
1.	Satish Chander Narang	Key Management Personnel (KMP) – Director of the Company
2.	Naveen Narang	Key Management Personnel (KMP) – Managing Director of the Company and Chief Financial Officer
3.	Kartar Chand Ahuja	Key Management Personnel (KMP) – Director of the Company
4.	Jawahar Lal	Key Management Personnel (KMP) – Director of the Company
5.	Mansi Narang	Key Management Personnel (KMP) – Director of the Company
6.	Ashok Kumar Ahuja	Key Management Personnel (KMP) – Additional Director of the Company
7.	Vandita Arora	Key Management Personnel (KMP) – Company Secretary
8.	Geetika Arora	Ex-Key Management Personnel (KMP) – Company Secretary
9.	Maxheights Promoters Private Limited	Enterprises Controlled by company – Subsidiary of Company
10.	Maxheights Township & Projects Private Limited	Enterprises Controlled by company – Subsidiary of Company
11.	Icon Realcon Private Limited	Enterprises Controlled by company – Subsidiary of Company
12.	Max Heights Realtors Limited	Enterprises Controlled by company – Subsidiary of Company
13.	Max Heights Developers Private Limited	Enterprises Controlled by company – Associates of Company
14.	Naveen Narang HUF	Enterprises controlled by KMP
15.	Manan Narang	Relative of KMP

Nate (a): Transactions with related parties:-

Sr.No.	Nature of transaction (excluding reimbursement)	Key Management Personnel (KMP)	Others	Opening Balance 1/4/2019	During the year	Closing Balance 31/03/2020
1	Balance of Unsecured Loan	Mansi Narang		11000000.00	23500000.00	34500000.00
2	Balance of Unsecured Loan	Naveen Narang		22500000.00	28800000.00 (22500000.00)	28800000.00
3	Balance of Unsecured Loan		Naveen Narang HUF	4500000.00	7000000.00 (11500000.00)	-
4.	Balance of Unsecured Loan		Manan Narang	4690739.00	422166.00 (42217.00)	5070688.00
5.	Interest Paid			-	422166.00 (422166.00)	-
6.	Remuneration Paid	Naveen Narang		-	2400000.00 (2400000.00)	
7	Remuneration Paid	Geetika Arora			90000.00 (90000.00)	
8	Remuneration Paid	Vandita Arora		-	98000.00 (98000.00)	

## VII. SEGMENTAL REPORTING

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company's operations predominantly relate to Real Estate Development. Based on the 'management approach' as defined in Ind AS 108, Management evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Segment reporting Policies:-

a) *Identification of Segments:- Primary – Business Segment*

Before Amalgamation the company was a single segment company. After amalgamation of three Transferor Companies, the company has identified three reportable segments viz. financing of vehicles and other finance, Real Estate business and dealing in stock and shares.



### Secondary – Geographical Segments

The company operates entirely in India and hence no geographical segment has been made.

- b) *Revenue and expenses* have been identified to the segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as unallocable expenses.
- c) *Segment assets and liabilities* represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as unallocated assets and liabilities.

Particulars	Real Estate	Finance	Stock & Shares	Total
Revenue	300.73	50.86	-	351.59
Operating Profit of Segment	115.57	50.86	-	166.43
Less : Interest				19.99
Less : Un-allocable Expenditure				99.79
EBT				46.65
Less: Provision For Income Tax				10.89
Less: Provision of Deferred Tax Liability				-0.23
Net Profit Available				35.98

VIII. Notes 1 to 4 forms the integral part of the financial statements.

As per our report of even date  
For Praveen Om Jain & Co.  
Chartered Accountants  
Firm Regd. No. 019993N  
Sd/-  
Praveen Kumar  
Partner  
Membership No. 503734  
Date : 27.06.2020  
Place : New Delhi

For and on behalf of the Board

Sd/-  
Vandita Arora  
Company Secretary  
M.No. 61149

Sd/-  
Satish Chander Narang  
Director  
DIN: 00095693

Sd/-  
Naveen Narang  
Director  
DIN: 00095708

# **Consolidated F.Y. 2019-2020**

**Independent Auditor's Report**  
**To the Members of M/s. Max heights Infrastructure Limited**  
**Report on the Consolidated Financial Statements**

## **Opinion**

We have audited the accompanying consolidated financial statements of **M/s. Max Heights Infrastructure Limited** which comprises the Balance Sheet as at March 31, 2020, 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 consolidated 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/loss, 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.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, 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 a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We draw your attention to the financial statements, which describes the economic and social disruption the entity is facing as a result of COVID-19 which is impacting supply chain and personnel being able to access offices. Our opinion is not modified in respect of this matter.

## **Responsibility of Management for the Consolidated 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 consolidated financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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.

That the Board of Directors is also responsible for overseeing the company's financial reporting process

## **Auditor's Responsibility 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:

- Identify and assess the risks of material misstatement of the consolidated 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 in place adequate internal financial controls with reference to consolidated financial statements 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 and Board of Directors in the consolidated financial statements.
- Conclude on the appropriateness of management's and Board of Director'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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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**

As required by Section 143(3) of the Act, **based on our audit and on the consideration of report on separate financial statements and the other financial information of subsidiaries and associates as noted in the other matter paragraph, 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 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated financial statements.
- d. In our opinion, the aforesaid consolidated 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

**With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:**

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limits laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

**For Praveen Om Jain & Co.  
Chartered Accountants  
F.R.N. 019993N**

**(Praveen Kumar)  
Partner  
M. No. 503734  
UDIN: 20503734AAAAAW3575**

**Place: New Delhi  
Date: 27.06.2020**

## **Annexure “A” to the Independent Auditor’s Report**

*(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Max Heights Infrastructure Limited of even date)*

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Max Heights Infrastructure Limited (hereinafter referred to as “Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (“the 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 the respective 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**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

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

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

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

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the respective companies 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 Praveen Om Jain & Co.**  
**Chartered Accountants**  
**F.R.N. 019993N**

**(Praveen Kumar)**  
**Partner**  
**M. No. 503734**  
**UDIN: 20503734AAAAAW3575**

**Place: New Delhi**  
**Date: 27.06.2020**

**MAX HEIGHTS INFRASTRUCTURE LIMITED**  
**SD-65, PITAMPURA, NEW DELHI - 110034**  
**CIN: L67120DL1981PLC179487**

**Balance Sheet as at March 31, 2020**

Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of the previous reporting period
1	2	3	4
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	2.1	1,62,39,429.03	1,64,03,680.43
(b) Financial Assets			
(i) Investments	2.2	9,64,800.00	9,64,800.00
(ii) Loans			
(iii) Others (to be specified)	2.3	7,23,600.00	50,13,370.00
(c) Deferred tax assets (net)	2.4	8,96,160.09	8,84,028.93
(d) Other non-current assets		-	-
		<u>1,88,23,989.12</u>	<u>2,32,65,879.36</u>
<b>(2) Current assets</b>			
(a) Inventories	2.5	2,60,31,44,401.93	2,77,93,95,771.04
(b) Financial Assets			
(i) Investments	2.2	89,917.72	89,917.72
(ii) Trade receivables	2.6	12,97,87,044.00	24,24,36,734.00
(iii) Cash and cash equivalents	2.7	3,61,16,040.90	3,16,23,951.85
(v) Loans	2.8	5,50,26,029.00	6,24,28,547.00
(vi) Others (to be specified)	2.3	9,54,86,610.41	11,97,82,456.23
(c) Current Tax Assets (Net)			
(d) Other current assets	2.9	96,37,351.00	35,66,706.85
		<u>2,92,92,87,394.96</u>	<u>3,23,93,24,084.69</u>
<b>Total Assets</b>		<b>2,94,81,11,384.08</b>	<b>3,26,25,89,964.05</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	2.10	15,60,92,250.00	15,60,92,250.00
(b) Other Equity		16,61,37,744.31	15,53,22,830.25
<b>Equity attributable to owners of Holding Company</b>		<b>32,22,29,994.31</b>	<b>31,14,15,080.25</b>
<b>Non-Controlling Interest</b>		<b>4,71,77,845.44</b>	<b>4,32,15,807.50</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	2.11	43,18,46,328.93	45,36,36,053.70
(ii) Trade payables			
(iii) Other financial liabilities (other than those specified in item (b), to be specified)	2.12	10,00,000.00	9,00,000.00
(b) Provisions			
(c) Deferred tax liabilities (Net)		-	
(d) Other non-current liabilities			
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	2.11	62,73,37,844.00	65,75,89,713.91
(ii) Trade payables	2.13	27,70,05,031.92	37,18,57,067.37
(iii) Other financial liabilities (other than those specified in item (c))	2.12	1,23,68,37,229.48	1,41,79,84,721.32
(b) Other current liabilities			
(c) Provisions	2.14	46,77,110.00	59,91,520.00
(d) Current Tax Liabilities (Net)			
<b>Total Equity and Liabilities</b>		<b>2,94,81,11,384.08</b>	<b>3,26,25,89,964.05</b>

See accompanying notes to the financial statements

In terms of our report attached

For Praveen Om Jain & Co.

Chartered Accountants

Firm Regd. No. 01993N

Sd/-

Praveen Kumar  
Partner

Membership No. 503734

Date : 27.06.2020

Place : New Delhi

For and on behalf of the Board of Directors

Sd/-

Vandita Arora  
Company Secretary  
M.No. 61149

Sd/-

Satish Chander Narang  
Director  
DIN: 00095693

Sd/-

Naveen Narang  
Director  
DIN: 00095708

Web- [www.maxheights.com](http://www.maxheights.com), email [ld-maxheights1@hotmail.com](mailto:ld-maxheights1@hotmail.com), Ph- 011-2731 4646, CIN - L67120DL1981PLC179487

**MAX HEIGHTS INFRASTRUCTURE LIMITED**  
**SD-65, PITAMPURA, NEW DELHI - 110034**  
**CIN: L67120DL1981PLC179487**

**Statement of Profit & Loss for the year ended March 31, 2020**

	Particulars	Note No.	Figures for the current reporting period	Figures for the previous reporting period
			Rs.	Rs.
I	Revenue From Operations	2.15	43,40,45,781.50	45,48,19,778.00
II	Other Income	2.16	58,79,454.32	37,80,404.37
III	<b>Total Income (I+II)</b>		<b>43,99,25,235.82</b>	<b>45,86,00,182.37</b>
IV	<b>EXPENSES</b>			
	Cost of materials consumed			
	Cost of land, plots, development rights, constructed properties and others	2.17	36,55,81,345.89	34,31,88,496.47
	Employee benefits expense	2.18	1,08,67,513.79	3,48,49,797.21
	Finance costs	2.19	3,56,84,577.43	4,21,95,728.52
	Depreciation and amortization expense	2.1	25,71,731.04	29,99,774.70
	Other expenses	2.20	63,54,298.83	1,21,45,323.01
	<b>Total expenses (IV)</b>		<b>42,10,59,466.98</b>	<b>43,53,79,119.91</b>
V	<b>Profit/(loss) before exceptional items and tax (I- IV)</b>		<b>1,88,65,768.84</b>	<b>2,32,21,062.46</b>
VI	Exceptional Items		-	-
VII	<b>Profit/(loss) before tax (V-VI)</b>		<b>1,88,65,768.84</b>	<b>2,32,21,062.46</b>
	Tax expense:			
VIII	(1) Current tax		46,77,110.00	59,91,520.00
	(2) Deferred tax		-12,131.16	52,687.96
			<b>46,64,978.84</b>	<b>60,44,207.96</b>
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		1,42,00,790.00	1,71,76,854.50
X	Profit/(loss) from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		1,42,00,790.00	1,71,76,854.50
	Other Comprehensive Income		-	-
	A (i) Items that will not be reclassified to profit or loss			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
XIV	B (i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
XV	<b>Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>1,42,00,790.00</b>	<b>1,71,76,854.50</b>
XVI	<b>Minority Interest</b>		39,60,978.78	42,72,330.52
XVI	<b>Profit / (Loss) for the year Transferred to CPL Adjustment A/c</b>		<b>1,02,39,811.22</b>	<b>1,29,04,523.99</b>
XVI	Earnings per equity share (for continuing operation):			
	(1) Basic		0.66	0.72
	(2) Diluted		0.66	0.72
XVII	Earnings per equity share (for discontinued operation):			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	<b>Earnings per equity share(for discontinued &amp; continuing operations)</b>			
	(1) Basic		0.66	0.72
	(2) Diluted		0.66	0.72

See accompanying notes to the financial statements

In terms of our report attached  
For Praveen Om Jain & Co.  
Chartered Accountants  
Firm Regd. No. 019993N  
Sd/-  
Praveen Kumar  
Partner  
Membership No. 503734  
Date : 27.06.2020  
Place : New Delhi

For and on behalf of the Board of Directors

Sd/-  
Vandita Arora  
Company Secretary  
M.No. 61149

Sd/-  
Satish Chander Narang  
Director  
DIN: 00095693

Sd/-  
Naveen Narang  
Director  
DIN: 00095708

Web- [www.maxheights.com](http://www.maxheights.com), email id- [maxheights1@hotmail.com](mailto:maxheights1@hotmail.com), Ph- 011-2731 4646, CIN - L67120DL1981PLC179487

**MAX HEIGHTS INFRASTRUCTURE LIMITED**  
**SD-65, PITAMPURA, NEW DELHI - 110034**  
**CIN: L67120DL1981PLC179487**

**Statement of Cash Flow**

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements.

Particulars	For the year ended March 31,2020	For the year ended March 31,2019
	Rs.	Rs.
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	1,88,65,768.84	2,32,21,062.46
<u>Adjustments for:</u>		
Depreciation and amortisation	25,71,731.04	29,99,774.70
(Profit)/Loss on Sale of Assets	(7,05,312.55)	1,460.50
Interest Received	(83,58,986.86)	(1,02,15,921.35)
Interest	3,20,15,811.19	3,95,01,084.42
Last Year provision	5,72,089.00	43,166.00
Refund	4,073.00	-
Operating profit / (loss) before working capital changes	4,49,65,173.66	5,55,50,626.73
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	17,62,51,369.11	8,49,94,126.08
Trade receivables	11,26,49,690.00	(7,83,95,722.00)
Short Term Loans & Advances	3,59,88,133.82	1,79,64,414.50
Other current assets	(60,70,644.15)	10,60,033.15
Short Term Provisions	(13,14,410.00)	5,03,700.00
Trade Payable & Other liabilities	(27,58,99,527.29)	(16,51,68,684.25)
Cash Generated from Operating activities	8,65,69,785.15	(8,34,91,505.79)
Taxes Paid	46,77,110.00	59,91,520.00
<b>Net Cash Flow from operating activities</b>	<b>8,18,92,675.15</b>	<b>(8,94,83,025.79)</b>
<b>B. Cash Flow from Investing Activities</b>		
Addition to Fixed Assets	(26,26,627.09)	(62,48,958.84)
Sale of Fixed Assets	9,24,460.00	1,00,900.00
Interest received	83,58,986.86	1,02,15,921.35
<b>Net Cash Flow from Investing Activities</b>	<b>66,56,819.77</b>	<b>40,67,862.51</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Borrowing	(5,20,41,594.68)	6,98,19,258.25
Interest Payments	(3,20,15,811.19)	(3,95,01,084.42)
	(8,40,57,405.87)	3,03,18,173.83
<b>Net Cash Flow during the year (A+B+C)</b>	<b>44,92,089.05</b>	<b>(5,50,96,989.45)</b>
Cash & Cash Equivalent (Opening Balance) (D)	3,16,23,951.85	8,67,20,941.30
Cash & Cash Equivalent (Closing Balance) (E)	3,61,16,040.90	3,16,23,951.85
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>44,92,089.05</b>	<b>(5,50,96,989.45)</b>

In terms of our report attached.

**In terms of our report attached**  
**For Praveen Om Jain & Co.**  
**Chartered Accountants**  
**Firm Regd. No. 019993N**  
**Sd/-**  
**Praveen Kumar**  
**Partner**  
**Membership No. 503734**  
**Date : 27.06.2020**  
**Place : New Delhi**

**For and on behalf of the Board of Directors**

**Sd/-**  
**Vandita Arora**  
**Company Secretary**  
**M.No. 61149**

**Sd/-**  
**Satish Chander Narang**  
**Director**  
**DIN: 00095693**

**Sd/-**  
**Naveen Narang**  
**Director**  
**DIN: 00095708**

Web- [www.maxheights.com](http://www.maxheights.com), email id- [maxheights1@hotmail.com](mailto:maxheights1@hotmail.com), Ph- 011-2731 4646, CIN - L67120DL1981PLC179487

## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION**

### **CORPORATE INFORMATION**

**MAXHEIGHTS INFRASTRUCTURE LIMITED ('the Holding Company')** incorporated in India on July 28, 1981, a company incorporated under the laws of India. The Company's shares are publicly traded on the Bombay Stock Exchange ('BSE'), India and Calcutta Stock Exchange. The Registered office of the Company is situated at SD – 65, Tower Apartments Pitampura New Delhi - 110034

### **NATURE OF PRINCIPAL ACTIVITIES**

Maxheights Infrastructure Limited ('the Group') is engaged primarily in the business of real estate development and Financing Activity. The operations of the Group span all aspects of real estate development, from the identification and acquisition of land, to planning, execution, construction and marketing of projects. The Company is also engaged in the business of leasing, maintenance services and recreational activities which are related to the overall development of real estate business. The Company is domiciled in India.

### **GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS**

These consolidated financial statements ('financial statements') of the Group have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified (by Ministry of Corporate Affairs ('MCA')) under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Group has uniformly applied the accounting policies during the periods presented.

The consolidated financial statements for the year ended 31 March 2020 were authorized and approved by the Board of Directors on 27 June 2020

### **BASIS OF PREPARATION**

The Consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

## **Impact of Covid 19 Pandemic**

Post declaration of COVID-19 as a pandemic by the World Health Organization, the Government in India and across the world have taken significant measures to curtail the wide spread of virus, including country wide lockdown and restriction in economic activities.

In view of such lockdowns, operations at Company facilities in India were scaled down from the end week of March 2020 and the immediate steps were taken to counter the issues. In view of the impact of COVID-19, the Company has assessed the carrying amounts of property, plant and equipment, inventories, trade receivables, and other assets. In assessing the recoverable value of such assets, the Company has considered various internal and external information such as existing long-term arrangements with customers and vendors, long-term business plan, cash flow forecasts and possible future uncertainties in economic conditions because of the pandemic including lockdowns and supply chain disruptions across various geographies of the world. As per the Company's current assessment of recoverability of these assets no significant impact on carrying amounts of these assets is expected.

The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements and the Company continues to closely monitor the situation including any material changes to future economic conditions and consequential impact on its financial statements

## **Use of estimates**

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed wherever required

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

## **Basis of Consolidation**

### *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its

involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance (including other comprehensive income ('OCI')) is attributed to the equity holders of the Holding Company and to the non-controlling interests basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

#### *Associates*

Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition changes in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated statement of profit and loss (including the other comprehensive income) includes the Group's share of the results of the operations of the investee.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared using the significant accounting policies and measurement basis summarized below. These were used throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS summarized

### **1.1 Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

### **1.2 Property, plant and equipment**

#### *Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in



arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred

*Subsequent measurement (depreciation and useful lives)*

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives (as set-out below) prescribed in Schedule II to the Act:

S.No.	Assets	Life as per schedule II	Life Taken
1.	Vehicles	8 Years	8 Years
2.	Computers	3 Years	3 Years
3.	Mobile Phone	5 Years	5 Years
4.	Office Equipment	5 years	5 years
5.	Fax Machine	5 Years	5 Years
6.	Furniture and Fixtures	10 Years	10 Years
7.	Air conditioner	5 years	5 years
8.	Photocopier Machine	5 Years	5 Years
9.	Water Purifier	5 Years	5 Years
10.	Mixer Machine Set	5 Years	5 Years
11.	Note Counting Machine	5 Years	5 Years
12.	DG Set	5 Years	5 Years
13.	Printer	3 Years	3 Years
14.	Refrigerator	5 Years	5 Years
15.	Motorcycle	10 Years	10 Years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

#### *De-recognition*

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

#### *Impairment*

At each balance sheet date, the Company reviews the carrying value of tangible and intangible assets for any possible impairment. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is determined as higher of the asset's net selling price or estimated future cash flows expected to arise from the continuing use of the assets and from their disposal at the end of their useful lives, which are discounted to their present value based on appropriate discount rates. For the purpose of assessing impairment, assets are grouped at the levels for which there are separately identifiable cash flows (cash generating unit). Assessment is done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting period may no longer exist or may have decreased.

### **1.3 Capital Work in Progress**

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects/intangible assets under development and are carried at cost. Cost includes land, related acquisition expenses, development/construction costs, borrowing costs and other direct expenditure.

### **1.4 Revenue recognition**

Revenue is recognized when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of revenue transaction the details of same is mentioned under note no. 2.15

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

## 1.5 Cost of Revenue

Cost of constructed properties other than SEZ projects, includes cost of land (including cost of development rights/ land under agreements to purchase), estimated internal development costs, external development charges, cost of development rights, construction and development cost, borrowing cost, construction materials, which is charged to the statement of profit and loss based on the percentage of completion method as explained in accounting policy for revenue from real estate projects above, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the applicable project.

Cost of land and plots includes land (including development rights), acquisition cost, estimated internal development costs and external development charges, borrowing cost which is charged to the statement of profit and loss based on the percentage of land/plotted based on the percentage of completion method as explained in accounting policy for revenue from land and plots, in consonance with the concept of matching cost and revenue. Final adjustment is made on completion of the specific project.

## 1.6 Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below

- a. **Investment in equity instruments of subsidiaries, joint ventures and associates**  
Investment in equity instruments of subsidiaries, joint ventures and associates are stated at cost as per Ind AS 27 'Separate Financial Statements
- b. **Investments in other equity instruments**  
Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL)
- c. **Investments in mutual funds**  
Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

### *De-recognition of financial assets*

A financial asset is primarily de-recognized when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

## **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

## **Other financial assets**

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

## **1.7 Inventories**

Inventories are valued as under:

- Land and plots other than area transferred to constructed properties at the commencement of construction are valued at lower of cost/approximate average cost/as re-valued on conversion to stock and net realizable value. Cost includes land (including development rights) acquisition cost, borrowing cost, estimated internal development costs and external development charges
- Cost of construction/development material is valued at lower of cost or net realizable value.
- Building material and consumable stores are valued at cost, which is determined on the basis of FIFO
- Land is valued at cost, which is determined on average method. Cost includes cost of acquisition and all related costs.
- Unsold Portion / Portion under construction is shown at cost under the head stock in trade Construction Activity.

## **1.8 Advances for Assets**

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under Short Term Loans & Advances. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

## **1.9 Foreign Currency Transactions**

The Company had not done any foreign currency transactions during the year.

## **1.10 Employee Benefits**

Short term employee benefits are recognized in the year during which the services have been rendered.

The employees of the Company are entitled to compensate absences which are non-accumulating in nature. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

No employee of the company has been into employment of the company for more than 5 Years. Therefore no provision is accrued for gratuity and leave encashment

## **1.11 Borrowing Cost**

Financial Costs relating to borrowed funds attributable to the acquisition or construction of fixed assets which takes substantial period of time to get ready for its intended use is capitalized as part of the cost of that asset. The interest cost incurred for funding a qualifying asset during the construction period is capitalized based on actual investment in the asset at the average interest rate for specific borrowings. However, financing costs (including interest) on fixed assets purchased on deferred credit basis or on the monies borrowed for the construction or acquisition of fixed assets are not capitalized to the extent that such costs relate to periods after such assets are ready to be put to use.

## **1.12 Taxes on Income**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### 1.13 Trade Receivable

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. (For Details regarding Type of Trade Receivable and expected Loss refer Note 2.6)

### 1.14 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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.

S.No.	PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
A.	Net Profit Available for Shareholders	10239811.22	12904523.99
B.	No. of Equity Shares	15609225	15609225
C.	EPS	0.66	0.72
D.	Diluted No. of Equity Share	-	-
E.	DEPS	0.66	0.72

### 1.15 Cash & Cash equivalents

- Cash and cash equivalents comprise of cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.
- Cash in hand has been certified by the management at the close of the year

### 1.16 Current Assets

In the opinion of the management, current assets, loans & advances have the value on the realization in the ordinary course of business equal to the amount at which they are stated and all known liabilities have been adequately provided for.

### 1.17 Cash Flow Statement

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

highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements.

### **1.18 Provisions and Contingencies**

- A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.
- A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liability has been disclosed in accordance with AS-29, issued by The Institute of Chartered Accountant of India

### **1.19 Significant management judgment in applying accounting policies and estimation uncertainty**

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management judgments.

The following are significant management judgments in applying the accounting policies of the Group that have the most significant effect on the financial statements.

- **Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.
- **Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets -requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets
- **Contingent liabilities** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future outcome may be different from this judgment.

## Significant Estimates.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different

- **Revenue and inventories** – The Group recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments and judgments to be made on changes in work scopes, claims (compensation, rebates, etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Group used the available contractual and historical information.
- **Impairment of financial assets** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.
- **Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- **Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.
- **Useful lives of depreciable/ amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.
- **Valuation of investment property** – Investment property is stated at cost. However, as per Ind AS 40 there is a requirement to disclose fair value as at the balance sheet date. The Group engaged independent valuation specialists to determine the fair value of its investment property as at reporting date.



The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date.

**As per our report of even date  
For Praveen Om Jain & Co.  
Chartered Accountants  
Firm Regd. No. 019993N  
Sd/-  
Praveen Kumar  
Partner  
Membership No. 503734**

**For and on behalf of the Board of Directors**

**Sd/-  
Vandita Arora  
Company Secretary  
M.No. 61149**

**Sd/-  
Satish Chander Narang  
Director  
DIN: 00095693**

**Sd/-  
Naveen Narang  
Director  
DIN: 00095708**

**Date : 27.06.2020  
Place : New Delhi**

**MAX HEIGHTS INFRASTRUCTURE LIMITED**  
**SD-65, PITAMPURA, NEW DELHI - 110034**

**Notes forming part of the financial statements**

**2.1 PROPERTY, PLANT AND EQUIPMENT**

**Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2020:**

Particulars	Vehicle	Office Equipment	Computer	Mobile Phone	Fax Machine	Furniture & Fixture	Air Conditioner	Water Purifier	Mixer Machine	Note	DG Set	Motor Cycle	Printer	Refrigerator	Inverter	Micro Wave Oven	EPBAK System	Total
Gross carrying value as at April 1,	3,55,82,303.47	81,270.00	5,53,932.33	1,86,000.00	5,900.00	4,26,813.00	1,30,000.00	20,812.00	53,760.00	30,375.00	6,22,100.00	1,48,889.00	11,900.00	39,400.00	18,600.00	4,800.00	21,018.00	3,79,37,872.80
Additions	26,13,228.00	-	13,399.09	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26,26,627.09
Deletions	43,82,900.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43,82,900.00
<b>Gross carrying value as at March 31, 2020</b>	<b>3,38,12,631.47</b>	<b>81,270.00</b>	<b>5,67,331.42</b>	<b>1,86,000.00</b>	<b>5,900.00</b>	<b>4,26,813.00</b>	<b>1,30,000.00</b>	<b>20,812.00</b>	<b>53,760.00</b>	<b>30,375.00</b>	<b>6,22,100.00</b>	<b>1,48,889.00</b>	<b>11,900.00</b>	<b>39,400.00</b>	<b>18,600.00</b>	<b>4,800.00</b>	<b>21,018.00</b>	<b>3,61,81,539.89</b>
Accumulated depreciation as at April 1, 2019	1,98,22,301.60	77,209.50	4,68,551.12	1,06,925.00	5,805.45	1,62,078.30	1,18,008.00	19,771.15	51,072.00	28,853.25	5,31,737.00	78,255.00	11,305.00	27,549.00	13,542.00	2,905.00	8,422.00	2,15,34,192.37
Depreciation	23,85,237.08	-	46,766.96	17,405.00	-	35,314.00	3,992.00	-	-	-	59,238.00	9,280.00	-	6,080.00	3,534.00	912.00	3,992.00	25,71,731.04
Accumulated depreciation on March 31, 2020	41,63,732.55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,63,732.55
<b>Accumulated depreciation as at March 31, 2020</b>	<b>1,80,43,788.13</b>	<b>77,209.50</b>	<b>5,15,318.08</b>	<b>1,24,330.00</b>	<b>5,805.45</b>	<b>1,97,392.30</b>	<b>1,22,001.00</b>	<b>19,771.15</b>	<b>51,072.00</b>	<b>28,853.25</b>	<b>5,90,995.00</b>	<b>87,515.00</b>	<b>11,305.00</b>	<b>33,639.00</b>	<b>17,716.00</b>	<b>3,818.00</b>	<b>12,414.00</b>	<b>1,99,42,170.86</b>
Carrying value as at March 31, 2020	1,57,68,845.34	4,060.50	52,013.34	61,670.00	294.55	2,29,420.70	7,999.00	1,040.85	2,688.00	1,521.75	31,105.00	61,374.00	595.00	5,791.00	1,424.00	982.00	8,604.00	1,62,39,429.03
Carrying value as at April 1, 2019	1,57,60,001.87	4,060.50	85,381.21	79,075.00	294.55	2,64,734.70	11,991.00	1,040.85	2,688.00	1,521.75	90,383.00	70,634.00	595.00	11,851.00	4,938.00	1,894.00	12,596.00	1,64,03,680.43

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**Notes forming part of the financial statements**

**2.2 FINANCIAL ASSETS**

**Initial recognition**

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

**2.2.1 INVESTMENT**

Investments are either classified as current or long-term based on Management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value of each investment individually. Long term investments are carried at cost less provisions recorded to recognize any decline, if any, other than temporary, in the carrying value of each investment

For Accounting Policies please refer note no.

***Non-current investments***

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Unquoted	Unquoted
	Rs.	Rs.
<b><u>Other Investments (Refer Note A Below)</u></b>		
(a) Investment in Properties		
(b) Investment in Equity Instrument	9,64,800.00	9,64,800.00
(Investment Stated as cost)		
(c) Investment in Preference Shares	-	-
	-	-
<b>Total</b>	<b>9,64,800.00</b>	<b>9,64,800.00</b>
Less : Provision for diminution in the value of Investments		
<b>Total</b>	<b>9,64,800.00</b>	<b>9,64,800.00</b>
<b>Details of Other Investments - F.Y. 2019-20</b>		
<b>Name of the Body Corporate</b>	<b>M/s Ranjitgarh Finance Company Private Limited</b>	<b>M/s New Delhi Realcon Private Limited</b>
<b>Subsidiary / Associate / JV/ Controlled Entity / Others</b>	<b>Other</b>	<b>Other</b>
No of Share/Units	3,88,800	5,76,000
Quoted / Unquoted	Unquoted	Unquoted
Party Paid/ Fully Paid	Fully Paid	Fully Paid
Extend of Holding	9.98%	19.96%
<b>Amount Invested as on 31st March 2020</b>	<b>3,88,800</b>	<b>5,76,000</b>
<b>Amount Invested as on 1st April 2019</b>	<b>3,88,800</b>	<b>5,76,000</b>

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**Notes forming part of the financial statements**

**Current investments**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Quoted	Quoted
	Rs.	Rs.
<b><u>Non Trade, Unquoted and Fully Paid</u></b>		
<i>(Investment stated at Cost)</i>		
Invemnt in Mutual Funds		
Axis Equity Fund	89,917.72	89,917.72
<b>Total</b>	<b>89,917.72</b>	<b>89,917.72</b>

**2.3 Other Financial Assets**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
<b><u>Non Currents</u></b>		
Security Deposit Unsecured Considered Good		
- Ansal Prop. & Infra. Ltd.	1,00,000.00	1,00,000.00
Solar Heater	-	
- Rental Security	54,000.00	54,000.00
- Deposit with Govt. Deptt.		
- Electricity Dept	2,00,000.00	5,35,500.00
- SDO UHBVN RAI	-	39,54,270.00
- Mining Dept	37,500.00	37,500.00
Renon Hotel	-	
- Deposit with Bank		
- FDR (For Sales Tax Deposit)	2,00,000.00	2,00,000.00
- Other Deposit	1,32,100.00	1,32,100.00
<b>Total</b>	<b>7,23,600.00</b>	<b>50,13,370.00</b>

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**Notes forming part of the financial statements**

Particulars	As at 31 March, 2020 Rs.	As at 31 March, 2019 Rs.
<b><u>Current</u></b>		
Advances to Suppliers[ Recoverable in cash or in kind for value to be received]		
Unsecured, considered good	1,14,36,280.78	1,30,71,877.32
Balances with government authorities		
Unsecured, considered good		
(i) FBT Refundable	37,878.00	37,878.00
(ii) Income Tax Refund Refundable	42,85,616.00	34,21,676.00
(iii) Advance Income Tax	33,02,000.00	40,04,000.00
(iv) TDS/TCS	19,58,235.00	22,44,874.00
(v) Income Tax Demand (Appeal)	25,000.00	25,000.00
(vi) Service Tax Recoverable	35,98,085.00	43,23,210.00
(vii) VAT Deposit	1,77,93,296.53	1,94,40,603.53
(viii) GST Credit	2,11,98,731.60	2,08,39,717.38
(ix) Cess	53,370.00	53,370.00
Others		
(i) Deposits (Booking of Plot & Flat)	99,01,899.00	99,01,899.00
(ii) Rental Security Deposit	4,14,600.00	
(iii) Other Advances	2,14,81,618.50	4,24,18,351.00
Total	9,54,86,610.41	11,97,82,456.23
<b>Total</b>	<b>9,62,10,210.41</b>	<b>12,47,95,826.23</b>

Notes forming part of the financial statements

**2.4 Deferred Tax Assets (Net)**

**Accounting Policy**

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

"Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority."

The gross movement in the deferred income tax account for the year ended March 31, 2020 and March 31, 2019, are as follows:

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**Notes forming part of the financial statements**

Particulars	Deferred Tax Liability/(Asset) As at 01.04.2019	Change in Current Year	Deferred Tax Liability/(Asset) As at 31.03.2020
Maxheights Infrastructure Limited	-6,32,635.00	-23,020.00	-6,55,655.00
Maxheights Township & Projects Private Limited	-3,34,985.00	21,266.00	-3,13,719.00
ICON Realcon Private Limited	-1,648.00	-1,507.00	-3,155.00
Max Heights Promoters Private Limited	85,239.07	-8,870.16	76,368.91
MaxHeights Realtors Limited	-	-	-
Maxheights Developers Private limited	-	-	-
<b>Total</b>	<b>-</b>	<b>-12,131.16</b>	<b>-8,96,160.09</b>

**2.5 Inventories**

Particulars	As at 31 March, 2020 Rs.	As at 31 March, 2019 Rs.
<i>Finished Goods</i>		
Real Estate	26,27,89,798.00	20,84,59,963.20
Shares		
Work in Progress	2,34,03,54,603.93	2,57,09,35,807.84
<b>Total</b>	<b>2,60,31,44,401.93</b>	<b>2,77,93,95,771.04</b>

@ Valued at cost, unless otherwise stated

**2.6 Trade Receivables**

Particulars	As at 31 March, 2020 Rs.	As at 31 March, 2019 Rs.
<i>Current</i>		
Unsecured Considered Good	12,97,87,044.00	24,24,36,734.00
Less: Allowance for Credit Loss (refer below)	-	-
<b>Total</b>	<b>12,97,87,044.00</b>	<b>24,24,36,734.00</b>

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**Notes forming part of the financial statements**

**Expected credit loss for trade receivables under simplified approach**

*Real estate business*

The Company's trade receivables does not have any expected credit loss as registry of properties sold is generally carried out once the Company receives the entire payment. During the periods presented, the Company made no write-offs of trade receivables and no recoveries from receivables previously written off

*"Rental business"*

In respect of trade receivables, the Company considers provision for lifetime expected credit loss. Given the nature of business operations, the Company's trade receivables has low credit risk as the Company holds security deposits equivalents ranging from three to six months rentals. Further historical trends indicate any shortfall between such deposits held by the Company and amounts due from customers have been negligible

**2.7 Cash and Cash Equivalents**

**Accounting Policy**

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Balance with Banks		
In Current Accounts	81,05,474.47	1,44,22,921.82
In Deposits	2,68,63,525.00	1,58,43,525.00
Cash in Hand	11,47,041.43	13,57,505.03
<b>Total</b>	<b>3,61,16,040.90</b>	<b>3,16,23,951.85</b>

The deposits maintained by the Company with banks and financial institution comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal



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**Notes forming part of the financial statements**

**2.8 Loans**

Particulars	As at 31 March, 2020 Rs.	As at 31 March, 2019 Rs.
<b>Current</b>		
Unsecured Considered Good	-	-
Loans to Employees	2,63,700.00	2,03,700.00
Other Loans	4,44,22,055.00	6,22,24,847.00
	4,46,85,755.00	6,24,28,547.00
Less: Allowance for Credit Loss	-	-
	4,46,85,755.00	6,24,28,547.00
<i>Other (Advance Recoverable unsecured)</i>	1,03,40,274.00	-
<b>Total</b>	<b>5,50,26,029.00</b>	<b>6,24,28,547.00</b>

**2.9 Other Current Assets**

Particulars	As at 31 March, 2020 Rs.	As at 31 March, 2019 Rs.
<i>Interest Accrued on FDR</i>	44,14,515.00	33,60,778.00
<i>Advance Recoverable</i>	50,00,000.00	
<i>Prepaid Expense</i>	2,22,836.00	2,05,928.85
<b>Total</b>	<b>96,37,351.00</b>	<b>35,66,706.85</b>

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**Notes forming part of the financial statements**

**2.10 Statement of Change in Equity**

**For F.Y. 2019-20**

Particulars	Equity Share Capital		Other Equity					Last Year Provision Written off		
			Reserves & Surplus			Preliminary Expense				
	Security Premium Account	Retained Earning	General Reserve	Share options Outstanding	Capital Reserve	Business transfer adjustment reserve				
Balance as on April 1, 2019	15,60,92,250.00	12,77,28,000.00	5,71,29,457.69	-	-	-	55,68,802.08	-3,50,95,521.92	-51,073.60	43,166.00
Changes in equity for the year ended March 31, 2020	-	-	-	-	-	-	-	-	-	-
Dividends (including dividend distribution tax)	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	1,02,39,811.04	-	-	-	-	-	-	5,75,103.02
Balance as on March 31, 2020	15,60,92,250.00	12,77,28,000.00	6,73,69,268.73	-	-	-	55,68,802.08	-3,50,95,521.92	-51,073.60	6,18,269.02

Notes forming part of the financial statements

2.11 Borrowings		Non Current		Current
Particulars	As on March 31, 2020	As on March 31, 2019	As on March 31, 2020	As on March 31, 2019
<b>Secured</b>				
Bank Overdraft	-	-	-	5,13,63,494.91
Daimler Financial Services Private Limited				-
ICICI Bank Limited	12,79,070.00	18,88,683.00		
Yes Bank Limited	22,18,526.00	27,36,404.00		
HDFC Bank Car Loan	16,90,203.91	33,65,485.72		
	51,87,799.91	79,90,572.72		5,13,63,494.91
Less: Amount disclosed under other current liabilities as 'Current maturities of long-term borrowings'	18,66,751.98	29,03,636.02		-
	33,21,047.93	50,86,936.70		5,13,63,494.91
<b>Unsecured</b>				
Loans and advances from related parties	42,85,25,281.00	44,85,49,117.00	6,67,45,728.00	5,97,54,457.00
Other			56,05,92,116.00	54,64,71,762.00
	43,18,46,328.93	45,36,36,053.70	62,73,37,844.00	65,75,89,713.91

Notes forming part of the financial statements

**Additional Disclosure regarding Non Current Borrowings**

1. Unsecured Loan from Related parties consists of Loan from Directors/Shareholders of Group Companies and are Long Term payable as per Management. The Details of same as under

Particulars	Loans and advances from related parties -	
	As on March 31, 2020	Non Current As on March 31, 2019
Satish Chander Narang	-	-
Naveen Narang	7,46,13,669.00	7,98,05,779.00
Mansi Narang	4,35,24,715.00	3,76,97,457.00
Manan Narang	1,30,68,776.00	67,00,000.00
Rakesh Pahwa	11,15,16,560.00	10,31,87,615.00
Lalit Kumar Sapra	7,91,12,157.00	7,92,37,000.00
Sumitra Narang	-	15,000.00
Raj Pal Narang	25,00,000.00	25,00,000.00
Pitampura Leasing & Housing Fiance Limited	55,40,000.00	50,00,000.00
Naveen Narang HUF	-	3,30,63,949.00
Anil Garg	3,99,71,835.00	4,49,71,835.00
Jawahar Lal Aggarwal	1,31,97,000.00	1,27,97,000.00
Herika Narang	80,83,286.00	80,83,286.00
Varun Kumar Sapra	1,02,50,000.00	1,12,50,000.00
Vikas Goel	31,00,000.00	31,00,000.00
Manju Rathi	62,01,842.00	62,01,842.00
Arun Kumar Rathi	75,00,000.00	75,00,000.00
Jitender Kumar Sapra	11,20,000.00	1,20,000.00
Anita Sapra	61,50,000.00	44,50,000.00
Sham Sundar Khurana	30,75,441.00	28,68,354.00
<b>Total</b>	<b>42,85,25,281.00</b>	<b>44,85,49,117.00</b>

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**Notes forming part of the financial statements**

**2.12 Other Financial Liabilities**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
<b>Non Current</b>		
Rental Security		
B2B Hospitality Private Limited	-	9,00,000.00
Lokdhun Telemedia (P) Limited	10,00,000.00	-
	<u>10,00,000.00</u>	<u>9,00,000.00</u>
<b>Current</b>		
Current maturities of long-term debt - Secured		
ICICI Bank Ltd	6,70,118.00	6,09,613.00
HDFC Bank Car Loan	22,20,342.68	17,76,145.02
Yes Bank	5,65,632.00	5,17,878.00
Security Deposit		
Capital Fire Engineering Co.	-	7,03,237.00
LS Power	11,53,874.00	10,57,411.00
Rental Security	-	1,05,000.00
Other payables		
i) Statutory remittances		
TDS Payable	50,06,429.00	72,54,178.00
Dividend unpaid a/c	2,69,652.75	2,69,652.75
GST Payable	1,68,765.00	1,23,258.00
(ii) Advances from Customers	8,87,18,485.00	9,94,38,353.00
(ii) Advances Against Booking	1,13,57,74,966.00	1,30,20,21,274.50
(iv) Expenses payable		
Audit fees	4,42,500.00	4,61,500.00
Others	14,86,542.05	31,03,398.05
Legal and Professional Expenses	1,16,100.00	
(v) Money Withheld	30,000.00	3,30,000.00
(vi) Excess Received from Customer	2,13,823.00	2,13,823.00
	<u>1,23,68,37,229.48</u>	<u>1,41,79,84,721.32</u>
<b>Total</b>	<b>1,23,78,37,229.48</b>	<b>1,41,88,84,721.32</b>

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**Notes forming part of the financial statements**

**2.13 Trade Payables**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
<b>Current</b>		
Trader Payables	27,70,05,031.92	37,18,57,067.37
<i>As the company has not received any information from any of the creditors of their being a micro or small scale industries undertaking hence amount due to micro or small scale industrial undertaking as on the balance sheet are not ascertainable.</i>		
<b>Total</b>	<b>27,70,05,031.92</b>	<b>37,18,57,067.37</b>

**2.14 Provisions**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
<b>Current</b>		
Provisions for Income tax	46,77,110.00	59,91,520.00
<b>Total</b>	<b>46,77,110.00</b>	<b>59,91,520.00</b>

Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized

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**Notes forming part of the financial statements**

**2.15 Revenue from Operations**

In Respect of Real Estate Transaction

Definition of 'revenue' given in the Ind AS 18 is broad compared to the definition of 'revenue' given in existing AS 9 because it covers all economic benefits that arise in the ordinary course of activities of an entity which result in increases in equity, other than increases relating to contributions from equity participants. On the other hand, as per the existing AS 9, revenue is gross inflow of cash, receivables or other consideration arising in the course of the ordinary activities of an enterprise from the sale of goods, from the rendering of services, and from the use by others of enterprise resources yielding interest, royalties and dividends.

In case of Real Estate transaction, the same is recognised only when registry of same is done only after entire payment relating to same is recovered from the customer thus adoption of IND AS 18 doesn't have any impact on revenue recognition.

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Sale of Real Estate/ Property	42,18,63,887.50	43,96,42,238.00
Lease Rental	51,57,900.00	74,96,100.00
Interest Income	51,10,139.00	-
Bank Deposit	-	2,09,876.00
Loans & Advances	-	70,03,164.00
Cancellation charges	2,99,255.00	2,50,000.00
Commission/consultancy Income	16,14,600.00	2,18,400.00
<b>Total</b>	<b>43,40,45,781.50</b>	<b>45,48,19,778.00</b>

**Additional Disclosure Regarding Revenue Recognition**

**1. Sale of land and plots**

Sale of land and plots (including development rights) is recognized in the financial year in which the agreement to sell/application forms (containing salient terms of agreement to sell) is executed and there exists no uncertainty in the ultimate collection of consideration from buyers. Where the Company has any remaining substantial obligations as per agreements, revenue is recognized on 'percentage of completion method' as explained above under 'revenue from real estate projects'.

**2. Revenue from Real Estate Projects**

Revenue from constructed properties for all projects is recognized in accordance with the 'Guidance Note on Accounting for Real Estate Transactions (Ind AS)' ('Guidance Note'). As per this Guidance Note, the revenue

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have been recognized on percentage of completion method and on the percentage of actual project costs incurred thereon to total estimated project cost, provided the conditions specified in Guidance Note are satisfied

The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

**2. Rental Income**

Rental income is recognized on a straight-line basis over the terms of the lease, except for contingent rental income which is recognized when it arises and where scheduled increase in rent compensates the lessor for expected inflationary costs. Parking income and fit out rental income is recognized in statement of profit and loss on accrual basis.

**3. Interest income**

Interest income is recorded on accrual basis using the effective interest rate (EIR) method

**2.16 Other Income**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Interest Income	36,52,921.00	29,93,241.00
Other	-	7,68,641.37
Profit on Sale of Assets	7,05,312.55	4,212.00
Discount Received	21,220.77	14,310.00
Consultancy Income	15,00,000.00	-
<b>Total</b>	<b>58,79,454.32</b>	<b>37,80,404.37</b>

**2.17 Cost of land, plots, development rights, constructed properties and others**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Cost of Building Constructions	36,55,81,345.89	34,31,88,496.48
<b>Total</b>	<b>36,55,81,345.89</b>	<b>34,31,88,496.48</b>



**MAX HEIGHTS INFRASTRUCTURE LIMITED**  
**SD-65, PITAMPURA, NEW DELHI - 110034**

**Notes forming part of the financial statements**

**2.18 Employee benefits expense**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Salaries	82,54,087.00	1,92,09,185.00
Staff welfare expenses	15,619.00	4,41,434.00
Director's Remuneration	24,00,000.00	1,50,20,000.00
Keyman Insurance Policy	1,97,807.79	1,79,178.21
<b>Total</b>	<b>1,08,67,513.79</b>	<b>3,48,49,797.21</b>

**2.19 Finance Cost**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
<b>Interest on</b>		
Car Loan	6,43,775.81	4,92,928.42
Borrowings	90,80,033.00	4,11,88,694.00
Interest on Bank Term Loan	6,54,949.00	-
Interest- others	2,14,77,167.00	
On Income tax	13,832.00	-
On TDS	56,407.00	1,03,420.00
On Service Tax/GST	600.00	45,816.00
Overdraft	25,87,094.00	-
Bank Guarantee Charges	1,51,026.88	2,13,088.00
Bank Charges	10,19,692.74	1,51,782.10
<b>Total</b>	<b>3,56,84,577.43</b>	<b>4,21,95,728.52</b>

**MAX HEIGHTS INFRASTRUCTURE LIMITED**  
**SD-65, PITAMPURA, NEW DELHI - 110034**

**Notes forming part of the financial statements**

**2.20 Other Expenses**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Rent	5,30,664.00	39,95,392.00
Accounting Charges	24,000.00	20,000.00
Insurance	3,62,174.06	3,68,339.25
Telephone Charges	92,661.00	1,15,091.00
Printing And Stationery	2,87,348.50	3,33,896.61
Penalty	-	18,912.00
Installation Charges	-	1,90,000.00
Photocopy Machine	2,000.00	46,577.40
Electricity, GAS And Water Expenses	9,72,448.00	10,85,702.00
Conveyance	167.00	7,520.00
GST Late Fees	7,260.00	-
Advertisement	1,97,312.00	3,30,392.00
Business Promotion	1,939.00	95,879.00
Tender Fees	11,858.80	-
Broadband Charges	-	44,230.00
Bank Charges	720.36	-
NCLT Application Fees	1,000.00	-
Internet Expense	13,908.00	-
Income Tax	20,140.00	-
Computer Maintenance Expenses	40,950.00	21,700.00
Office Expense	18,601.03	-
Commission on sale of flats	2,40,000.00	-
Office & Administration Charges	-	1,84,235.00
Loss on Sale of Assets	-	5,672.50
Vehicle Running and Maintenance	1,78,166.00	1,07,606.00
Filing Fees	1,00,600.00	73,500.00
ROC Filing Fees	17,200.00	-
Legal and Professional Charges	15,68,800.00	16,10,336.00
Annual Fees (BSE)	3,54,000.00	2,50,000.00
Annual Maintenance Expenses	25,640.00	12,487.00
Annual General Meeting Expenses	30,250.00	24,750.00
General Expense	21,970.00	9,360.00

**MAX HEIGHTS INFRASTRUCTURE LIMITED**  
**SD-65, PITAMPURA, NEW DELHI - 110034**

**Notes forming part of the financial statements**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
GST Audit Fees	16,200.00	-
GST Expense	20,879.98	22,271.76
Postage and Courier	63,761.60	68,558.90
Service Tax Paid	-	1,22,748.00
Welfare Expense	-	46,968.00
Late Fee	-	5,150.00
Petrol & Diesel	-	3,79,995.25
Processing Charges	24,047.00	59,116.00
House Tax	21,780.00	1,50,336.00
Site Maint	1,01,276.00	-
Website Maint.	15,647.00	15,647.00
Commission	-	11,40,000.00
Repair & Maintenance	2,09,072.00	89,967.05
Misc. Expense	-	1,75,471.28
Security Guard	-	3,35,000.00
Self Assessment Tax	-	12,678.00
Software	-	3,600.00
Short & Excess	257.50	-
Security Services	1,99,600.00	-
Charges	-	838.00
Payment to Auditors( refer note below]		
As Auditors - Statutory Audit	5,60,000.00	5,65,400.00
<b>Total</b>	<b>63,54,298.83</b>	<b>1,21,45,323.00</b>

#### 4. Notes to the Accounts

##### I. NATURE OF OPERATIONS:

**MAX HEIGHTS INFRASTRUCTURE LIMITED** is a Delhi Based professionally managed company incorporated on 28.07.1981 a growing real estate company having its registered office at SD-65, Tower Apartments, Pitampura, New Delhi-110034 is under the management control of the promoters having rich experience in Real Estate Sector. The company is listed in Bombay Stock Exchange.

The company is carrying on the business as owners, builders, colonizers, developers, promoters of residential, commercial and industrial buildings, mall and multiplexes, township projects and factory shed's and buildings and to deal in all kinds of immovable properties whether belonging to the Company or not. The promoters have proudly completed and delivered a number of projects in recent past and looking forward to many more projects.

**MAX HEIGHTS TOWNSHIP AND PROJECTS PRIVATE LIMITED** was incorporated on 13th June, 2006. The Company's registered office is at SD-65, Tower Apartments, Pitampura, New Delhi-110034. The company is not listed on any Stock Exchange. It is the Subsidiary of Max Heights Infrastructure Limited. Presently the company is developing a group housing complex in Sonapat, Haryana.

**ICON REALCON PRIVATE LIMITED** was incorporated on 28th December, 2007. The Company's registered office is at SD-65, Tower Apartments, Pitampura, New Delhi. Also the company is Subsidiary of Max Heights Infrastructure Limited. The Company is not listed on any Stock Exchange. Presently the company is developing a group housing complex in Fardiabad, Haryana.

**MAX HEIGHTS DEVELOPERS PRIVATE LIMITED** was incorporated on 16th April, 2007. The Company's registered office at 124 N. N. Mall, Mangalam Place, Sector-3, Rohini, Delhi-110085. The Company is engaged in Property Development and is also the Estate Agents. The company is the Associate of Max Heights Infrastructure Limited. The Company is not listed on any Stock Exchange.

**MAX HEIGHTS PROMOTERS PRIVATE LIMITED** was incorporated on 8th February, 2013. The Company's registered office is at 409-411 4th Floor N N Mall Rohini, Delhi - 110085. The company is the Subsidiary of Max Heights Infrastructure Limited. The Company is not listed on any Stock Exchange. The Company is going to acquire the land for group housing complex at Sonapat Haryana.

***MAXHEIGHTS REALTORS LIMITED*** (Formerly Known as Max Heights Finance Limited) incorporated in India on March 27, 2015, a company incorporated under the laws of India. The Registered office of the Company is situated 65, GROUND FLOOR, SD BLOCK, DDA FLATS, PITAMPURA, DELHI - 110034. The company is wholly owned subsidiary of Maxheights Infrastructure Limited.

## II. CURRENT ASSETS

In the opinion of the management, current assets, loans & advances have the value on the realization in the ordinary course of business equal to the amount at which they are stated and all known liabilities have been adequately provided for.

## III. EXPENDITURE/EARNINGS IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Expenditure		
On account of:		
Traveling	NIL	NIL
Interest	NIL	NIL
Total:-	NIL	NIL
Earnings		
Sale	NIL	NIL
Total:-	NIL	NIL

## IV. CIF VALUE OF IMPORTS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Raw Materials	NIL	NIL
Consumables	NIL	NIL
Finished Goods	NIL	NIL
Capital Goods	NIL	NIL
Total:-	NIL	NIL

## V. AUDITORS' REMUNERATION

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Audit Fee	560000.00	565400.00
Total:-	560000.00	565400.00

## VI. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

The information regarding applicability of MSMED Act, 2006 to the various suppliers/parties is not available with the assessee, hence information as required vide Clause 22 of Chapter V of MSMED Act, 2006 is not been given.

## VII. DIRECTORS' REMUNERATION

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salary	24.00 Lacs	150.20 Lacs
Others	Nil	Nil
Total:-	24.00 Lacs	150.20 Lacs

## VIII. DEBTORS & CREDITORS

**Balances appearing as Debtors & Creditors are subject to confirmation.**

## IX. SEGMENTAL REPORTING

The segmental reporting of the company has been prepared in accordance with accounting standard (AS-17), Accounting for Segment reporting issued by The Institute of Chartered Accountants of India.

Segment reporting Policies:-

### a) *Identification of Segments: Primary – Business Segment*

Before Amalgamation the company was a single segment company. After amalgamation of three Transferor Companies, the company has identified three reportable segments viz. financing of vehicles and other finance, Real Estate business and dealing in stock and shares.

### *Secondary – Geographical Segments*

The company operates entirely in India and hence no geographical segment has been made.

### b) *Revenue and expenses* have been identified to the segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as un-allocable expenses.

### c) *Segment assets and liabilities* represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as unallocated assets and liabilities

Particulars	Finance	Real Estate Activity	Stock & Shares	Total
Revenue	94.47	4289.61	-	4384.08
Operating Profit of Segment	94.47	633.80	-	728.27
Less : Interest				(356.85)
Less : Un -allocable Expenditure net of Un -allocable Income				(182.76)
EBT				188.66

**X. Note 1 to 4 Forms the integral part of the balance sheet and profit and loss account.**

As per our report of even date  
For Praveen Om Jain & Co.  
Chartered Accountants  
Firm Regd. No. 019993N  
Sd/-  
Praveen Kumar  
Partner  
Membership No. 503734

For and on behalf of the Board of Directors

Sd/-  
Vandita Arora  
Company Secretary  
M.No. 61149

Sd/-  
Satish Chander Narang  
Director  
DIN: 00095693

Sd/-  
Naveen Narang  
Director  
DIN: 00095708

Date : 27.06.2020  
Place : New Delhi