



POPULAR ESTATE MANAGEMENT LIMITED

Reg. Office : 81, 8th Floor, 'A' Wing, New Youk Tower Opp. Muktidham Derasar, Thaltej ,
S.G. Highway, Ahmedabad-380 054. Gujarat, India. Tele : 079-26858881
Email: popularestatementmanagement@yahoo.co.in
CIN : L65910GJ1994PLC023287

1st September, 2023

To,
THE DEPUTY MANAGER,
DEPARTMENT OF CORPORATE SERVICES,
BOMBAY STOCK EXCHANGE LIMITED,
PHIROZE JEEJEEBHOY TOWER,
DALAL STREET, MUMBAI-400001

REF: SCRIP CODE NO. 531870

ISIN: INE370C01015

SUB: 29th Annual Report of the Company for the financial year 2022-23.

Dear Sir/Madam,

Pursuant to provisions of Regulation 34(1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, enclosed please find herewith Notice convening 29th Annual General Meeting (AGM) and Annual Report for the financial year 2022-23 of the Company, which is being sent through electronic mode to the Members.

The AGM of the company is scheduled to be held on **Friday, 29th September, 2023** at 11:30 a.m. to transact the business as set out in the Notice, in accordance with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India.

The aforesaid documents are also available on the website of the Company at <http://www.popularestatementmanagement.in>

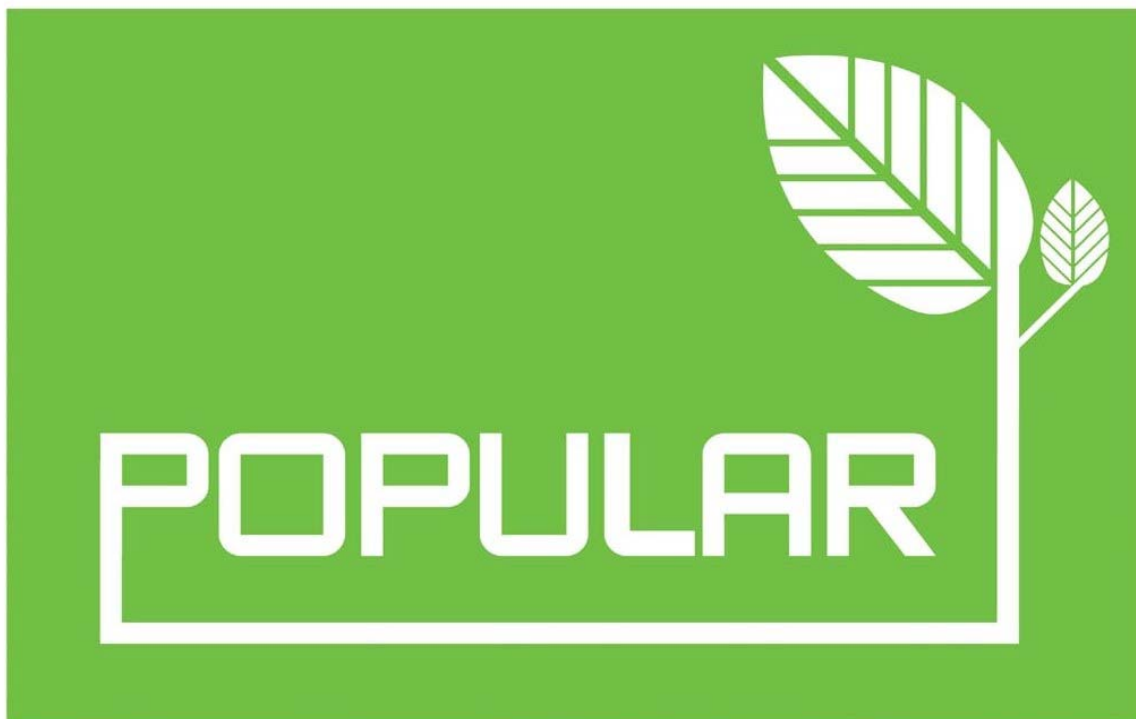
Kindly take the same on record.

Thanking you.

Yours Faithfully,
For, POPULAR ESTATE MANAGEMENT LIMITED


VIKRAM CHHAGANLAL PATEL
DIRECTOR, CFO & MANAGER
DIN: 00166707

Encl: As above.



We Create Future

POPULAR ESTATE MANAGEMENT LIMITED 29TH ANNUAL REPORT (2022-2023)

SAFE HARBOUR STATEMENT

In this Annual Report we have disclosed forward-looking information [within the meaning of various laws] to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements—written and oral—that we periodically make, contain forward-looking statements that set out anticipated results based on the Management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipate’, ‘estimate’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’ and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise Corporate Information.

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COMPANY INFORMATION

CIN: L65910GJ1994PLC023287

Website: <http://www.popularestatemanagement.in>

Email: popularestatemanagement@yahoo.co.in

Tel.: 079-26858881

Fax: 079-26854831

Registered Office:

81, 8th Floor, "A" wing, New York
Tower, Opp. Muktidham Derasar,
Thaltej, S. G. Highway,
Ahmedabad-380054, Gujarat

Bankers:

Kotak Mahindra Bank
Kalupur Comm. Co-op. Bank Ltd.
AU Small Finance Bank

Statutory Auditor:

H.S. Jani & Co.

701/702/708, Sakar-V,
B/h. Natraj Cinema, Ashram Road,
Ahmedabad- 380 009

Secretarial Auditor:

Ronak Doshi and Associates

802, Mahakant Complex,
Opp. V.S. Hospital, Ellis Bridge,
Ahmedabad-380006, Gujarat

Registrars and Transfer Agents:

Link Intime India Private Limited

5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1),
Besides Gala Business Centre, Nr. St. Xavier's College Centre,
Off C.G. Road, Navrangpura, Ahmedabad-380009, Gujarat.

Phone: 079-26465179/5186/5187

E-mail: ahmedabad@linkintime.co.in

Website: www.linkintime.co.in

BOARD OF DIRECTORS:

| | |
|----------------------------|---------------------------|
| Vikram Chhaganlal Patel | Manager, Director and CFO |
| Het Dashrathbhai Patel | Director |
| Saritaben Natwarbhai Patel | Woman Director |
| Rameshbhai Revabhai Patel | Independent Director |
| Sureshbhai Natverlal Patel | Independent Director |
| Mehul B Patel | Independent Director |

KEY MANAGERIAL PERSONNELS:

| | |
|--------------------------------|--|
| Vikram Chhaganlal Patel | CFO (KMP) |
| Vikram Chhaganlal Patel | MANAGER |
| Mrs. Sonali Panchal | Company Secretary and Compliance officer w.e.f. 05/07/2022 |
| Mrs. Neelam Mohanlal Gurbaxani | Company Secretary and Compliance officer upto 05/07/2022 |

COMMITTEES:

| Designation | AUDIT COMMITTEE | NOMINATION AND REMUNERATION COMMITTEE | STAKEHOLDERS' RELATIONSHIP COMMITTEE |
|-----------------|----------------------------|---------------------------------------|--------------------------------------|
| Chairman | Mehul B Patel | Rameshbhai Revabhai Patel | Rameshbhai Revabhai Patel |
| Member | Sureshbhai Natverlal Patel | Sureshbhai Natverlal Patel | Sureshbhai Natverlal Patel |
| Member | Vikram Chhaganlal Patel | Mehul B Patel | Mehul B Patel |

IMPORTANT COMMUNICATION TO SHAREHOLDERS**“Green Initiative in the Corporate Governance”**

Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued a circular No.17/2011 on April 21, 2011 stating that the service of document to shareholders by a Company can be made through electronic mode.

Keeping in view the underlying theme and to support this green initiative of Government in the right spirit, members who holds shares in electronic mode and who have not registered their email addresses, so far, are requested to register their email address and changes therein from time to time, with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the below mentioned prescribed form, giving their consent to receive the Notices calling general meetings, audited financial statements, auditors’ report, directors’ report, explanatory statement or any other communication in electronic mode, and register the said form with Link Intime India Private Limited. The said form is also available on the Company’s website: <http://www.popularestatementmanagement.in>

Please note that you will be entitled to be furnished, free of cost, with a physical copy of the notice, balance sheet and all other documents required by law to be attached thereto including the profit & loss account and auditors’ report etc., upon receipt of a requisition from you, any time, as a member of the Company.

We are sure you would appreciate the “Green Initiative” taken by MCA and your Company’s desire to participate in such initiatives.

Email Address Registration Form

(For members who holds shares in Physical Form)

POPULAR ESTATE MANAGEMENT LIMITED**Registered Office:** 81, 8th Floor, "A" Wing, New York Tower, Opp: Muktidham Derasar,
Thaltej, S. G. Highway, Ahmedabad-380054, Gujarat**CIN: L65910GJ1994PLC023287****Ledger Folio No.** _____ **No. of Share(s) held:** _____**NAME OF THE SHAREHOLDER / JOINT HOLDER:**
_____**Email Address:** _____**Contact No. (R)** _____ **(M)** _____

I hereby give my / our consent to receive the Notices, calling general meetings, audited financial statements, auditors' report, directors' report, explanatory statement and all other documents required by law to be attached thereto or any other communication in electronic mode at my/our above mentioned email ID.

Signed this _____ day of _____, 2023.

Note:

- 1) Members are requested to send their duly completed form as above to the Registrar and Transfer Agent (RTA) namely Link Intime India Pvt. Ltd., 5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1), besides Business Gala Centre, Nr. St. Xavier's College Corner, Off C.G. Road, Navrangpura, Ahmedabad-380009, Gujarat. Tel: 07926465179 Fax: 079-26465179
- 2) Members are also requested to inform about any change in their email ID immediately to RTA.
- 3) This form is also available on the Company's website: <http://www.popularestatemanagement.in>

NOTICE TO MEMBERS

Notice is hereby given that 29th (Twenty-Ninth) Annual General Meeting of the members of **Popular Estate Management Limited. ('PEML' or the 'Company')** will be held on **Friday, 29th September, 2023 at 11.30 a.m.** at registered office of the company situated at 81, 8th Floor, "A" wing, New York Tower, Opp. Muktidham Derasar, Thaltej, S. G. Highway Ahmedabad- 380054, Gujarat to transact the following business:

ORDINARY BUSINESS:

- 1) **To receive, consider and adopt audited financial statements of the company for the financial year ended on 31st March, 2023 and the Reports of Board of Directors and the Auditors' thereon and in this regard to pass with or without modification the following resolution as an Ordinary Resolution:**

"RESOLVED THAT audited financial statements of the company for the financial year ended March 31, 2023 and the reports of the board of directors and auditors' thereon laid before this meeting, be and are hereby received, considered and adopted."

- 2) **To appoint a director in place of Mr. Het Dashrathbhai Patel (DIN: 06986909), Director who retires by rotation and being eligible, seeks reappointment and to pass with or without modification the following resolution as Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Section 152 and other applicable provisions of Companies Act, 2013, Mr. Het Dashrathbhai Patel, who retires by rotation, be and is hereby reappointed as a Director of the Company."

**Regd. Office:
81, 8th Floor, A-Wing,
"New York Tower", Opp. Muktidham Derasar,
Thaltej, S. G. Highway, Ahmedabad-380054**

**By Order of the Board
For, Popular Estate Management Limited**

**Sd/-
Vikram Chhaganlal Patel
Director, CFO & Manager
DIN: 00166707**

Date: 01/09/2023

NOTES:

1. PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, A MEMBER ENTITLED TO ATTEND AND VOTE AT 29TH ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND, ON A POLL, VOTE INSTEAD OF HIMSELF/HERSELF, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding 50 [fifty] and holding in aggregate not more than ten (10) per cent of the total share capital of the Company. In case proxies proposed to be appointed by a Member holding more than ten (10) percent of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any such other person or shareholder.
2. The instrument of proxy in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not less than 48 hours before the commencement of the meeting i.e. by 11.30 a.m. on Wednesday, 27th September, 2023. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
4. Shareholders may note that the notice of the meeting has been placed on the company's website: <http://www.popularestatemanagement.in> in Annual Report Section. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
5. In terms of Section 152 of Companies Act, 2013, Mr. Het Dashrathbhai Patel (DIN: 06986909), Director, retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board of Directors of the company recommends his re-appointment.
6. Relevant disclosure pursuant to Regulation 36(3) Of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 and Secretarial Standard on General Meetings (SS-2) issued by Institute of Company Secretaries of India (ICSI), relating to directors seeking appointment/re-appointment at the Annual General Meeting of the Company:

Profile of Retiring Directors:

| Name of the Director | Het Dashrathbhai Patel |
|---|---|
| Director Identification No. (DIN) | 06986909 |
| Date of Appointment | 29/07/2021 |
| Education Qualification | Commerce Graduate |
| Brief Resume Including Expertise | Good experience in the field of marketing and accounting. |
| Directorship held in other listed entities | NIL |
| Chairman / Member of the Committees of the Board of the other companies on | NIL |

| | |
|--|--|
| which he is a director | |
| Chairman/Member of Directors of other Public Company In which he is Director: | 1. PIONEER AMUSEMENT AND MOTELS LIMITED |
| Disclosure of the relationships | Mr. Het D Patel is cousin brother of Mr. Vikram C Patel who is promoter, Director, Manager and CFO of the company. |
| No. of Shares Held In Company | NIL |
| No. of Board Meetings attended during the year | As mentioned in Corporate Governance report annexed herewith. |

7. The Register of Members and the Share Transfer Books of the company shall remain closed from Friday, 22nd September, 2023 to Friday, 29th September, 2023 (both days inclusive).
8. Members are requested to contact Registrar and Transfer Agent (RTA) namely, **Link Intime (India) Pvt. Ltd., 5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1), besides Business Gala Centre, Nr. St. Xavier's College Corner, Off C.G. Road, Ellisbridge, Ahmedabad-380006, Gujarat** for recording any change of address, bank mandate, ECS or nominations, for updating of email address and for redressal of complaints members can contact the Compliance Officer at the registered office of the company.
9. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
10. Pursuant to Section 101 of the Companies Act, 2013 read with the relevant Rules, the Company has implemented the "Green Initiative" which enables the Company to serve documents like notices, annual reports, etc., in electronic form to its members. It also facilitates prompt receipt of communications and thereby reduces postal transit losses. Accordingly, copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes through e-mail unless any member has requested for a hard copy of the same. Members holding shares in electronic mode are, therefore, requested to ensure to keep their e-mail addresses updated with the Depository Participant. Members who hold shares in physical form are requested to get their e-mail id registered with RTA of the Company.
11. All relevant documents referred to in the Notice will be available for inspection by the Members at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public Holidays) during working hours i.e. 11:00 a.m. to 5:00 p.m. upto the date of Annual General Meeting and the same along with other documents as required under the applicable law will also be available for inspection at the time of AGM of the Company.
12. Members desiring any information as regards the financial statements are requested to write to the Company at least 7 days before the date of the meeting to enable the management to keep the information readily available at the meeting.
13. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members are therefore requested to submit their PAN to their Depository Participants (DP).
14. In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended securities of listed companies can now only be transferred in dematerialized form, so the Members are advised to dematerialize shares held.
15. The equity shares of the company are available for dematerialization, as the company has entered into an agreement with **National Securities Depository Limited (NSDL)** and the **Central Depository Services Limited (CDSL)**. Those shareholders who wish to hold the company's share in electronic form may approach their depository participants.

16. Section 72 of the Companies Act, 2013, extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders holding share certificates in physical form and willing to avail this facility may make nomination in Form SH-13, which may be sent on request. However, in case of Demat holdings; the shareholders should approach to their respective depository participants for making nominations.
17. Members are requested to note that pursuant to the provisions of Section 125(c) of the Companies Act, 2013, the dividend remaining unclaimed/ unpaid for the period of seven years from the date it becomes due for payment should be credited to the Investor Education and Protection Fund (IEPF) set up by the Central Government. The Company has already transferred the unclaimed/unpaid dividend declared for the year 2007-08 and 2008-09 to the said fund. Members who have so far not claimed the dividends declared for those year(s) are requested to make claim with the Investor Education and Protection Fund (IEPF) of Ministry of Corporate Affairs.
18. Members, who have multiple accounts in identical names or joint names in same order, are requested to intimate **M/s. Link Intime India Private Limited**, the Ledger Folios of such accounts to enable the company to consolidate all such share holdings into one account.
19. **Voting through electronic means:**
Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the company is pleased to provide the facility to members to exercise their right to vote by electronic means. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter:

➤ **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on 26th September, 2023 at 9.00 a.m. and ends on 28th September, 2023 at 5.00 p.m. The e-voting module shall be disabled by NSDL for voting thereafter.

The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 22nd September, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22nd September, 2023.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> 1. Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nSDL.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDEAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDEAS Portal” or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>     </div> |

| | |
|--|---|
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress. |
| Individual Shareholders (holding securities in Demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in Demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43 |

Step 2: Cast your vote electronically on NSDL e-Voting system.**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csronakdoshi@yahoo.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 4430 or send a request to Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to popularestatemanagement@yahoo.co.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to popularestatemanagement@yahoo.co.in. If you are Individual shareholders holding securities in Demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote

through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

OTHER INSTRUCTIONS:

- i. Mr. Ronak D Doshi (C.P. No. 12725), Proprietor of Ronak Doshi & Associates, Practicing Company Secretary has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- ii. The Scrutinizer shall immediately after the conclusion of e-voting at the general meeting, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any and whether the resolutions have been carried or not and such report shall then be sent to the Chairman or a person authorized by him within 2 (two) working days from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
- iii. The results declared along with the report of the Scrutinizer shall be placed on the website of the company, <http://www.popularestatemanagement.in> and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
- iv. Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting i.e. Friday, 29th September, 2023.

DIRECTORS' REPORT

To,
The Members,
Popular Estate Management Limited
Ahmedabad

Your directors are presenting herewith their 29th (Twenty Ninth) Annual Report together with the Audited Statements of Accounts for the period ended 31st March, 2023.

FINANCIAL RESULTS:**(In Rs.)**

| Particulars | Current Year Ended on 31/03/2023 | Previous Year Ended on 31/03/2022 |
|--|-------------------------------------|--------------------------------------|
| Income from operations | 0.00 | 0.00 |
| Other Income | 123.00 | 5,04,108.00 |
| Depreciation & amortization | 26,21,994.00 | 34,84,784.00 |
| Expenses other than Depreciation | 63,52,753.00 | 47,67,422.00 |
| Preliminary Exp. Written off | 0.00 | 0.00 |
| Net Profit/(Loss) Before Tax | (89,74,624.00) | (77,48,098.00) |
| Current Tax | 0.00 | 0.00 |
| Deferred Tax | 0.00 | 20,97,695.00 |
| Mat Credit Entitlement | 0.00 | 0.00 |
| Profit/(Loss) After Tax | (89,74,624.00) | (98,45,793.00) |
| Proposed Dividend | 0.00 | 0.00 |
| Provision for dividend distribution Tax | 0.00 | 0.00 |
| Profit/(Loss) after Tax & Dividend | (89,74,624.00) | (98,45,793.00) |
| Bal. Brought Forward | 30,35,91,442.00 | 31,34,37,235.00 |
| Less : Income Tax paid for previous year | 0.00 | 0.00 |
| Less : Short Provision of Taxes of earlier years | 0.00 | 0.00 |
| Balance Carried to Balance Sheet | 29,46,16,818.00 | 30,35,91,442.00 |

DIVIDEND:

The Board of Directors has not recommended any dividend for the year 2022-23. (Previous year: NIL).

PRESENT OPERATIONS AND FUTURE PROSPECTS:

During the year under review, the Company has not generated any revenue from operations against Nil of the previous year. The net loss after tax for the year under review has been Rs. 89,74,624 as against loss of Rs. 98,45,793/- during the previous financial year. Your Directors are continuously looking for the new avenues for future growth of the Company and expect more growth in future period.

A detailed analysis of the financial results is given in the Management Discussion and Analysis Report, which forms part of this report.

RESERVES AND SURPLUS:

The Company had reserves and surplus of Rs. 29,46,16,818/- in the present financial year as against the reserve and surplus of Rs. 30,35,91,442/- during the previous financial year.

BOARD OF DIRECTORS:**I. APPOINTMENT & RESIGNATION OF DIRECTORS:**

During the financial year 2022-23 there were no changes in the composition of board of directors of the company. At present, the structure of Board of Directors is as follows:

| Sr. No. | CATEGORY | NAME OF DIRECTORS |
|---|-------------------------|---------------------------------|
| <u>Promoter and Executive Director</u> | | |
| 1. | Director, CFO & Manager | Vikram Chhaganlal Patel |
| 2. | Director | Shri Het D Patel |
| <u>Woman Director</u> | | |
| 3. | Woman Director | Smt. Saritaben Natwarbhai Patel |
| <u>Independent Directors</u> | | |
| 6. | Independent Director | Shri Sureshbhai Natwarlal Patel |
| 8. | Independent Director | Shri Rameshbhai Revabhai Patel |
| 9. | Independent Director | Mehul Patel |

II. RE-APPOINTMENT OF DIRECTOR RETIRING BY ROTATION:

Pursuant to Section 152 of Companies Act, 2013, Mr. Het Dashrathbhai Patel (DIN: 06986909), will retire by rotation at ensuing Annual General Meeting and being eligible, seeks re-appointment as the Director of the company and his brief profile is given in this report as notes to the notice.

COMPANY SECRETARY AND COMPLIANCE OFFICER:

During the year under review, Mrs. Sonali Panchal who is a member of ICSI having membership no. ACS 23824 has been appointed as Company Secretary and Compliance Officer of the Company w.e.f. 5th July, 2022 in place of Mrs. Neelam Mohanlal Gurbaxani (Membership No. ACS 46682), Company Secretary and Compliance officer who resigned w.e.f. 5th July, 2022.

CHIEF FINANCIAL OFFICER (CFO) AND MANAGER:

Mr. Vikram Chhaganlal Patel (DIN: 00166707 & PAN: AGUPP0288P) has been CFO and Manager of the company.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:

The company has no Subsidiary Company, Joint Venture Company or Associate Company.

DEPOSIT:

During the year under review your company has not accepted deposit from public as envisaged by Chapter V of the Companies Act, 2013.

PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

During the year the company has not entered into any materially significant related party transactions which may have potential conflict with the interest of the Company and stakeholders at large. Suitable disclosures as required are provided in AS-18 which is forming part of the notes to the financial statement.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

The requisite details as required by Section 134(3) (e), Section 178(3) & (4) and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are annexed as **Annexure A** to this Report.

CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of the business of the company during the year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS/ OUTGO:

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 the relevant data pertaining to conservation of energy, technology absorption are not applicable and hence, not given. Moreover, the Company has no Foreign Exchange earnings and outgo.

PARTICULARS OF EMPLOYEES:

There are no employees drawing the remuneration in excess of limits prescribed under Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further the following details form part of **Annexure B and Annexure C** to the Board's Report:

- i) Pursuant to Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 statement containing the names and other particulars of top ten employees in terms of remuneration drawn by them- **Annexure B**
- ii) Disclosure under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014- **Annexure C**

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

During the year under review, no material changes and commitments occurred which affect the financial position of the company.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future. However, during the financial year 2021-22, pursuant to the provisions of Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 issued by Securities and Exchange Board of India (SEBI) with respect to Standard Operating Procedure (SOP) for suspension and revocation of equity shares of listed entities for non-compliance with provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Bombay stock exchange has suspended the trading in the equity shares of the company w.e.f June 11, 2021 and levied a fine alongwith GST Rs. 33,37,040/- for non-compliance of various regulations. Then after, the company had applied for waiver of fines levied by stock exchange. The waiver committee of Bombay Stock Exchange (BSE) have considered the waiver application and waived off Rs. 27,52,940/- and ordered to pay the remaining fine amounting to Rs. 5,84,100/- which was duly paid by the company on **6th April, 2022 i.e. during current financial year.**

The company had also made an application for revocation of suspension of trading in equity shares of the company.

Accordingly, the company has been granted in-principle approval for revocation of suspension in trading of securities of company on 29/03/2023 and the company has also received post approval for

revocation of suspension in trading of equity shares of company on 21/06/2023 and **the suspension of trading in equity shares was revoked and trading in shares was started w.e.f. 30/06/2023.**

CHANGES IN SHARES CAPITAL:

The company has not made any changes in the share capital of the company during the year under review.

INSURANCE:

All the assets of the company are adequately insured and the company has developed proper system for taking insurance on all its insurable assets in order to mitigate the risk.

AUDITORS:**I. STATUTORY AUDITORS & AUDITORS' REPORT:**

The statutory auditors namely, M/s. H.S. Jani & Associates, Chartered Accountants, (FRN: 127515W) has been appointed as a Statutory Auditor of the company since 27th August, 2021 for a period of 5 years to hold office until the conclusion of the 31st Annual General Meeting of the company in calendar year 2025.

Ministry of Corporate Affairs, vide notification dated 7th May, 2018 has come with the amendment in Companies (Audit and Auditors) Amendment Rules, 2018 regarding non requirement of ratification of Auditor at every Annual General Meeting after his appointment as a Statutory Auditor of the Company. Therefore, ratification of appointment of auditor is not proposed in the ensuing Annual General Meeting.

AUDITORS' REPORT:

The auditors' report does not contain any qualification, reservation or adverse remark(s) on the financial statements for the year ended 31/03/2023. The notes of accounts referred to in the auditors' report are self explanatory and therefore do not require any further comments.

II. INTERNAL CONTROL AUDITOR AND SYSTEM:

Pursuant to the provisions of section 138 of the Companies Act and rules made there under, the company has proper system of Internal Control and it has also appointed internal auditor to look after the matters of internal control.

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations. Internal control systems are designed to ensure that all assets and resources are acquired economically, used efficiently and adequately protected.

III. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of section 204 of the Act and The Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014, the Company has appointed M/s. Ronak Doshi & Associates, Practicing Company Secretary, Ahmedabad to undertake Secretarial Audit for the financial year ended on **31st March, 2023**. Secretarial Audit Report is attached to this report as Form **MR-3 as Annexure D**. The Board has duly reviewed the Secretarial Auditor's Report and the observations and comments, appearing in the report are self-explanatory and do not call for any further explanation/clarification by the Board of Directors as provided under section 134 of the Act.

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92 (3) of the Companies Act, 2013 read with rules 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in Form MGT-9 is not required to be annexed herewith in Board report of the company. However, the company is having website i.e.: <http://www.popularestatemanagement.in> and copy of annual return of company will be published on the website once it will be filed.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

During the year under review, the company is outside the purview of Section 135 of Companies Act, 2013 related to Corporate Social Responsibility.

ENVIRONMENT, HEALTH AND SAFETY:

The Company accords the highest priority to Environment, Health and Safety. The management is constantly reviewing the safety standards of the employees and the management believes in the concept of sustainable development.

INDUSTRIAL RELATIONS:

Industrial Relations during the year under review continued to be cordial.

ACCOUNTING STANDARDS AND FINANCIAL REPORTING:

The Company incorporates the accounting standards as and when issued by the Institute of Chartered Accountants of India. The company complied with the Stock Exchange and legal requirement concerning the Financial Statements at the time of preparing them for the Annual Report. Moreover, the Balance sheet of the Company has been converted and presented as per Indian Accounting Standards - IND AS.

MANAGING THE RISKS OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES:**i. Vigil Mechanism / Whistle Blower Policy:**

The Company has established vigil mechanism and framed whistle blower policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy.

ii. Business Conduct Policy:

The Company has framed "Business Conduct Policy". Every employee is required to review and sign the policy at the time of joining and an undertaking shall be given for adherence to the Policy. The objective of the Policy is to conduct the business in an honest, transparent and in an ethical manner. The policy provides for anti-bribery and avoidance of other corruption practices by the employees of the Company.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

The company is not paying any dividend since last many years and hence, there is no money lying with the Company which is to be required transferred to Investor Education and Protection Fund (IEPF).

CORPORATE GOVERNANCE AND MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

In terms of Regulation 34(3) and 53(f) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Corporate Governance Report, the Management Discussion & Analysis Statement, and the Auditors' Certificate regarding Compliance of Conditions of Corporate Governance are part of this Annual Report.

DEMATERIALIZATION OF EQUITY SHARES:

As per direction of the SEBI and Bombay Stock Exchange Limited, the shares of the Company are under compulsory Demat form. The Company has established connectivity with both the Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited and the Demat activation number allotted to the Company is ISIN: INE370C01015. Presently, shares are held in electronic and physical mode (87.28% of shares in Demat, 12.72% in physical mode).

LISTING:

The equity shares of the company are listed in the Bombay Stock Exchange Limited which has the connectivity in most of the cities across the country. However, the trading of shares was suspended due to penal reasons w.e.f. 11/06/2021 and the management had filed application for revocation of suspension of trading in shares with BSE on 10th June, 2022 and the same is approved by BSE on 21/06/2023 and the trading in equity shares has activated w.e.f. 30/06/2023.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors duly met at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The details regarding the meetings of board of directors and the attendance of the directors in the same is mentioned in Corporate Governance Report.

NUMBER OF MEETINGS OF THE AUDIT COMMITTEE:

The Audit Committee duly met at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The details regarding the meetings of Audit Committee and the attendance of the committee members in the same is mentioned in Corporate Governance Report.

NUMBER OF MEETINGS OF THE NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee duly met at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The details regarding the meetings of Nomination and Remuneration Committee and the attendance of the committee members in the same is mentioned in Corporate Governance Report.

NUMBER OF MEETINGS OF THE STAKEHOLDER RELATIONSHIP COMMITTEE:

The Stakeholder relationship Committee duly met at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The details regarding the meetings of stakeholder relationship Committee and the attendance of the committee members in the same is mentioned in Corporate Governance Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL ACT, 2013):

The Company has implemented an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual

harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provision of section 134(5) the Board confirms and submits the Director's Responsibility Statement:-

- a) In preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the Annual Accounts on a going concern basis; and
- e) The Directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors had devised proper system to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS:-

Pursuant to the provisions of sub-section (7) of Section 149 of the Companies Act, 2013, the company has received individual declarations from all the Independent Directors mentioned below, confirming that they fulfil the criteria of independence as specified in Section 149(6) of the Companies Act, 2013.

1. Mr. Rameshbhai Revabhai Patel
2. Mr. Sureshbhai Natverlal Patel
3. Mr. Mehul Bhagawatprasad Patel.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186:

During the period under report, the Company has not provided any loans, guarantee or security to any person or Body Corporate under Section 186 of the Companies Act, 2013.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR), 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually, as well as, the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship Committees. The performance of the Board was evaluated by the Board after seeking feedback from all the Directors on the basis of the parameters/criteria, such as, degree of fulfillment of key responsibility by the Board, Board Structures and Composition, establishment and delineation of responsibilities to the Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics and, Quality of relationship between the Board and the Management. The performance of the committees viz. Audit Committee, Nomination & Remuneration Committee, and Stakeholders Relationship Committee was evaluated by the Board after seeking feedback from Committee members on the basis of parameters/criteria such as degree of fulfillment of key

responsibilities, adequacy of committee composition, effectiveness of meetings, committee dynamics and, quality of relationship of the committee with the Board and the Management.

RISK MANAGEMENT:

The company has developed and implemented a risk management system which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out.

ACKNOWLEDGMENT:

Your Directors wish to place on record their sincere appreciation to the financial institutions, Company's bankers and customers, vendors and investors for their continued support during the year. Your Directors are also pleased to record their appreciation for the dedication and contribution made by employees at all levels who through their competence and hard work have enabled your Company achieve good performance year after year and look forward to their support in future as well.

Regd. Office:
81, 8th Floor, A-Wing,
"New York Tower", Opp. Muktidham Derasar,
Thaltej, S. G. Highway, Ahmedabad-380054

By Order of the Board
For, Popular Estate Management Limited

Sd/-
VIKRAM CHHAGANLAL PATEL
DIRECTOR, CFO & MANAGER
DIN: 00166707

Sd/-
HET D PATEL
DIRECTOR
DIN: 06986909

Date: 01/09/2023

POLICY OF THE NOMINATION AND REMUNERATION COMMITTEE OF THE COMPANY**Policy for Identification of Persons for Appointment and Removal as Director and Senior Managerial Personnel:****THE COMMITTEE SHALL:**

1. Identify and ascertain the honesty, reliability, qualification, expertise and experience of the person for appointment as Director or Senior Managerial Personnel and recommend the Board accordingly.
2. The Committee must ensure itself regarding the capabilities and eligibilities of the proposed appointee(s) and must ensure that the proposed appointee shall be able to devote the required time as may be necessary.
3. The Committee shall be at discretion to decide whether qualification, expertise and experience possessed by the person are adequate for the proposed position.
4. Any other assessment as may be required must be carried out by the Committee and on being satisfied with the overall eligibility of the person, the Committee shall recommend his/her appointment to the Board accordingly.
5. With respect to Independent Directors of the Company, the Committee shall additionally ensure the independence of the Directors as per the applicable provisions of the Companies Act, 2013 and the Rules made thereunder.
6. The Committee may recommend to the Board with the reasons recorded in writing, the removal of director or Senior Managerial Personnel based on any disqualification that may be applicable as per the provision of the Companies Act, 2013 and the Rules made thereunder or for any other reasons as may be justified by the Committee.

TERM OF APPOINTMENT:

The term of Appointment of Managing Director/Whole-time Directors and Independent Directors of the Company shall be as per the provisions of the Companies Act, 2013 and the Rules made thereunder.

RETIREMENT:

The Managing Director/Whole-time Directors and Independent Directors of the Company shall be subject to retirement as per applicable to the Companies Act, 2013 and the Rules made thereunder. The Committee will be at its discretion to recommend retention of Directors even after they have attained the retirement age for the benefit of the Company subject to fulfillment of the requirements as mentioned in Companies Act, 2013.

POLICY FOR EVALUATION OF PERFORMANCE OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

1. Evaluation of performance of Board and Individual Directors:
 - a. Achievement of financial/business targets as fixed by the Board;
 - b. Proper development, management and execution of business plans;
 - c. Display of leadership qualities i.e. correctly anticipating business trends and opportunities;
 - d. Establishment of an effective organization structure;
 - e. Participation in the Board/Committee Meetings;
 - f. Integrity and maintenance of confidentiality;
 - g. Any other criteria that may be considered necessary for the evaluation of the performance of the Board may be considered by the Committee.

2. Evaluation of performance of Committees:

- a. Discharge of its functions and duties as per its terms of reference;
- b. Effectiveness of suggestions and recommendations received;
- c. Conduct of its meeting and procedures followed in this regard.

3. Review of the Implementation of this policy:

The committee shall review the implementation and compliance of this policy at least once in a year.

POLICY FOR REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

The remuneration of Directors and Key Managerial Personnel must be in accordance to the Companies Act, 2013 and the Rules made there under. The Committee must ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

The relationship of remuneration to the performance is clear and meets appropriate performance benchmarks.

DETAILS OF REMUNERATION:**A) EXECUTIVE DIRECTORS:**

During the F.Y. 2022-23, the company has not paid any remuneration to executive directors of the company.

B) NON EXECUTIVE DIRECTORS:

During the F.Y. 2022-23, the company has not paid any remuneration/ sitting fees to any Non-Executive Director of the company. Moreover, the Non-Executive Directors have no pecuniary relationship with the Company in their personal capacity.

PARTICULARS OF EMPLOYEES AS PER RULE 5(2) OF COMPANIES

| SR. NO | NAME & DESIGNATION | REMUNERATION (PER ANNUM) | NATURE OF EMPLOYMENT | QUALIFICATION & EXPERIENCE | YEAR/DATE OF COMMENCEMENT OF EMPLOYMENT & HIS/HER AGE | LAST EMPLOYMENT HELD | % OF EQUITY SHARES HELD | RELATIVE OF ANY DIRECTOR/MANAGER OF THE COMPANY |
|--------|----------------------------------|--------------------------|----------------------|---|---|---------------------------|-------------------------|---|
| 1. | Alpesh J Patel-Senior Accountant | 1,80,000 | Non-Managerial | B.Com, LLB Graduate Exp. of 35 years | 15/12/2014 Age-59 | RKC Infrabuild Pvt. Ltd. | Nil | Not related |
| 2. | Mansinh L Rajput-Driver | 1,80,000 | Non-Managerial | 10 th Pass Exp. of 28 years | 01/11/1994 Age: 54 | N.A. | 0.01% | Not related |
| 3. | Neelam Gurbaxani | 30,000 | Managerial | Company Secretary, Exp. of 5 years | 01/08/2020 Age: 30 | Gala Global Products Ltd. | Nil | Not related |
| 4. | Sonali Panchal | 1,50,000 | Managerial | Company Secretary, Exp. of 5 years | 05/07/2022 Age: 43 | Shree Metalloys Limited | Nil | Not related |
| 5. | Vishwanath A Raval-Driver | 1,80,000 | Non-Managerial | 7 th Pass 26 years | 01/11/1994 Age: 54 | N.A. | 0.01% | Not related |
| 6. | Beenaben D Dave-receptionist | 1,62,000 | Non-Managerial | 12 th Pass Exp. of 29 years | 14/10/1994 Age-44 | N.A. | 0.01% | Not related |
| 7. | Harshaben S Shah- Accountant | 1,46,400 | Non-Managerial | B.Com Exp. of 28 years | 01/12/1994 Age: 53 | N.A. | 0.02% | Not related |
| 8. | Rajesh D Patel-Peon | 1,01,760 | Non-Managerial | 9 th Pass 28 years | 01/11/1994 Age-52 | New Sorath Mill | 0.001% | Not related |
| 9. | Ramesh N Parekh-Peon | 57,440 | Non-Managerial | 9 th Pass 28 years | 01/11/1994 Age-56 | N.A. | NIL | Not related |

DISCLOSURE UNDER RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- A. The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-23.

| Sr. No. | Name of the Director | Remuneration | Median Remuneration | Ratio |
|---------|-------------------------|--------------|---------------------|-------|
| 1. | Vikram Chhaganlal Patel | Nil | 1,50,000 | 0 |
| 2. | Het Dashrathbhai Patel | Nil | 1,50,000 | 0 |

- B. The percentage increase/decrease in remuneration of each Director, Chief Financial Officer, Chief Executive officer, Company Secretary or Manager, if any, in the financial year 2022-23.

| Sr. No. | Name of the Director | Designation | % Increase/Decrease |
|---------|-------------------------|--|---------------------|
| 1. | VIKRAM CHHAGANLAL PATEL | CFO | 0% |
| 2. | NEELAM M GURBAXANI* | COMPANY SECRETARY & COMPLIANCE OFFICER | 0% |
| 3. | SONALI PANCHAL** | COMPANY SECRETARY & COMPLIANCE OFFICER | 0% |

*Mrs. Neelam M Gurbaxani resigned from the post of Company Secretary w.e.f. 05/07/2022.

**Mrs. Sonali Panchal was appointed as Company Secretary in her place w.e.f. 05/07/2022

- C. The percentage decrease in the median remuneration of employees in the financial year 2022-23: 11.03%
- D. The number of permanent employees on the rolls of the company in the Financial Year 2022-23: **08**
- E. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;
Average remuneration increase for non-managerial personnel of the company during the financial year was 0% and the average remuneration decrease for the managerial personnel was 0%. Remuneration increase or decrease depends on the company's performance as a whole, individual performance level and also market benchmarks.
- F. Affirmation that the remuneration is as per the remuneration policy of the company;
 It is affirmed that the remuneration paid is as per the remuneration policy of the company.



RONAK DOSHI & ASSOCIATES

Practicing Company Secretary

PHONE: 079-40026633 M: +91-9033009739 EMAIL: csronakdoshi@yahoo.com

802, Mahakant Complex, Opp. V.S. Hospital, Ellis Bridge, Ahmedabad-380006

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ANNEXURE -D

SECRETARIAL AUDIT REPORT

For the Financial year ended on 31st March, 2023

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

To,

The members

POPULAR ESTATE MANAGEMENT LIMITED

81, 8TH FLOOR, New York TOWER-A,

OPP. MUKTIDHAM DERASAR,

S.G. HIGHWAY, THALTEJ, AHMEDABAD-54

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Popular Estate Management Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the financial year ended on **31st March, 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Popular Estate Management Limited** ("**The Company**") for the financial year ended on **31st March, 2023** according to the provisions of:
 - I. The Companies Act, 2013 (**the Act**) and rules made thereunder to the extent applicable;
 - II. The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and 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 (**However, no foreign transaction was done by the Company**);
 - 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 (***Subject to matter of emphasis***) and
 - d) The Securities and Exchange Board of India (Registrars to a Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
2. Provisions of the following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the company during the financial year under report:-
- a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
 - f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
3. I have been informed by the company that there are no specific laws applicable to the company considering the nature of its business.
4. I have also examined compliance with the applicable clauses of the following:
- i) Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
 - ii) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the period under review the company has mostly complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards and Listing Agreements etc.

I further report that:

The Board of Directors of the company is duly constituted as on date of this report with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes were made in the composition of the Board of Directors during the period under review and changes made in the Key Managerial personnel (KMP) was according to the provisions of the Companies Act, 2013 and .

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

During the period under review all the decisions in the Board Meetings were carried out unanimously in compliance with the provisions of the Act.

I have relied on the representation made by the company, its officers and reports of the Statutory Auditor for system and mechanism framed by the company for compliances under other Acts, Laws and Regulations applicable to the company.

I further report that based on the information received from management and records maintained; there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

MATTERS OF EMPHASIS:

During the financial year 2021-22, pursuant to the provisions of Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 issued by Securities and Exchange Board of India (SEBI) with respect to Standard Operating Procedure (SOP) for suspension and revocation of equity shares of listed entities for non-compliance with provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; Bombay stock exchange has suspended the trading in the equity shares of the company w.e.f June 11, 2021 and levied a fine alongwith GST Rs. 33,37,040/- for non-compliance of various regulations. Then after, the company had applied for waiver of fines levied by stock exchange. The waiver committee of Bombay Stock Exchange (BSE) have considered the waiver application and waived off Rs. 27,52,940/- and ordered to pay the remaining fine amounting to Rs. 5,84,100/- which was duly paid by the company on **6th April, 2022 i.e. during current financial year.**

Then, as informed to us by the management of the company, they had made an application for revocation of suspension of trading in equity shares of the company.

Accordingly, the company has been granted in-principle approval for revocation of suspension in trading of securities of company on 29/03/2023 and the company has also received post approval for revocation of suspension in trading of equity shares of company on 21/06/2023 and **the suspension of trading in equity shares was revoked and trading in shares was started w.e.f. 30/06/2023.**

Place: Ahmedabad
Date: 24/08/2023
UDIN: A023712E000853629

For, Ronak Doshi & Associates
Practicing Company Secretary

Sd/-
Ronak D Doshi
Proprietor
Membership No. 23712
C. P. No. 12725
PRC No.: 1698/2022



RONAK DOSHI & ASSOCIATES

Practicing Company Secretary

PHONE: 079-40026633 M: +91-9033009739 EMAIL: csronakdoshi@yahoo.com

802, Mahakant Complex, Opp. V.S. Hospital, Ellis Bridge, Ahmedabad-380006

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To,

The Members,

POPULAR ESTATE MANAGEMENT LIMITED

81, 8th Floor, New York Tower-A,

Opp. Muktidham Derasar,

S.G. Highway, Thaltej, Ahmedabad-54

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility:

1. It is the responsibility of the management of the company to maintain secretarial records, devise proper systems, to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

2. My responsibility is to express opinion on these secretarial records, systems, standards and procedures based on my audit.
3. Whenever, required, we have obtained the management's representation about the compliance of law, rules and regulations and happening of events etc.

Disclaimer:

4. The Secretarial Audit Report is neither an assurance as to the future visibility of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Ahmedabad

Date: 24/08/2023

UDIN: A023712E000853629

For, Ronak Doshi & Associates

Practicing Company Secretary

Sd/-

Ronak D Doshi

Proprietor

Membership No. 23712

C. P. No. 12725

PRC No.: 1698/2022

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**A. BUSINESS HIGHLIGHTS :****Turnover:**

Popular Estate Management Limited has no turnover in financial year 2022-23 against no turnover in the previous year 2021-22.

Employee Benefit Expenses:

Employee's emoluments (other than managerial remuneration) are Rs. 11.66 lakh during the year as against Rs. 11.83 Lakh during the previous year.

Administrative and Other Expenses:

Major components of administrative and other expenses includes printing and stationary, electricity charges, audit fees, advertisement expenses, postage and stamps, listing and ROC filing fees, insurance premium etc. Administrative and other expenses for the year amounted to Rs. 49.78 Lakh as against Rs. 26.93 Lakh during the previous year.

Interest and Finance Charges:

Interest and finance charges / bank charges during the year amounted to Rs. 2.08 Lakh as against Rs. 8.92 Lakh during the previous year.

Depreciation:

Depreciation charge for the current year came to Rs. 26.22 Lakh as against Rs. 34.85 Lakh of the previous year.

Provision for Tax:

The Company has made loss so there is no provision for tax. As there is no dividend payable this year, the company has not provided any amount for dividend distribution tax.

Profit/Loss after Tax:

The Company has made loss in the current year of Rs. 89.75 Lakh as against loss of Rs. 98.46 Lakh during the previous year.

Earnings per Share:

Basic and diluted earnings per share for the current year worked out to Rs. (0.64) as against Rs. (0.70) during the previous year.

Financial Condition:**Non Current Liabilities:**

The company's Non Current Liabilities includes Long Term borrowings Rs. 759.99 Lakh as against Long Term Borrowings of Rs. 736.32 Lakh in the previous year.

Current Liabilities:

The company's Current Liabilities includes Trade payables and other financial Liabilities amounting to Rs. 35.45 Lakh as at 31st March 2023 against Rs. 27.22 Lakh of the previous year.

Fixed Assets:

Net block of the fixed assets at the end of the year is Rs. 95.53 Lakh as against Rs. 155.28 Lakh in the previous year.

Non Current Investments:

Non-current investments of the company are Rs. 82.87 Lakh as at 31st March 2023 against Rs. 82.87 Lakh of the previous year.

Current Assets:

During the year, the company has current assets of Rs. 4898.81 Lakh as against Rs. 4896.86 Lakh of the previous year.

B. SEGMENT WISE PERFORMANCE :

The company is operating in only one segment i.e. Infrastructure / Construction. Though, the infrastructure/construction/real estate sector is very bearish since last many years, our company has performed well as compared to the previous year.

C. AN INDUSTRY OVERVIEW :

In India, the real estate sector is the second-highest employment generator, after the agriculture sector. Real estate sector in India is expected to reach US\$ 1 trillion in market size by 2030, up from US\$ 200 billion in 2021. By 2025, it will contribute 13% to country's GDP. Emergence of nuclear families, rapid urbanization and rising household income are likely to remain the key drivers for growth in all spheres of real estate, including residential, commercial, and retail. Rapid urbanization in the country is pushing the growth of real estate. More than 70-75% of India's GDP will be contributed by urban areas by 2030.

Around 40 million square feet were delivered in India in 2021. It is expected that the country will have a 40% market share in the next 2-3 years. India is expected to deliver 46 million square feet in 2023-24.

India's real estate sector saw over 1,700 acres of land deals in the top 7 cities in 1 year. Foreign investments in the commercial real estate sector were at US\$ 10.3 billion between the years 2017 to 2021. As of February 2022, Developers expect demand for office spaces in SEZs to shoot up after the replacement of the existing SEZs act.

According to Savills India, real estate demand for data centers is expected to increase by 15-18 million sq. ft. by 2025.

According to the Economic Times Housing Finance Summit, about 3 houses are built per 1,000 people per year compared with the required construction rate of 5 houses per 1,000 population. The current shortage of housing in urban areas is estimated to be ~10 million units. An additional 25 million units of affordable housing are required by 2030 to meet the growth in the country's urban population.

The Government of India has been supportive towards the real estate sector. The Government has also raised FDI (Foreign Direct Investment) limits for townships and settlements development projects to 100%. Real estate projects within Special Economic Zones (SEZ) are also permitted for 100% FDI. Construction is the third-largest sector in terms of FDI inflow. Indian real estate is expected to attract a substantial amount of FDI in the next two years with US\$ 8 billion capital infusion by F.Y. 2022. As of June 30, 2021, India formally approved 427 SEZs.

Government of India's Housing for All initiative is expected to bring US\$ 1.3 trillion investments in the housing sector by 2025. As of December 2019, under Pradhan Mantri Awas Yojana (Urban) [PMAY (U)], 1.12 crores houses were sanctioned in urban areas, with a potential to create 1.20 crores jobs. The scheme is expected to push affordable housing and construction in the country and give a boost to the real estate sector.

In October 2021, the RBI announced to keep benchmark interest rate unchanged at 4%, giving a major boost to the real estate sector in the country. The low home loan interest rates regime is expected to drive the housing demand and increase sales by 35-40% in the festive season in 2023.

The Ministry of Housing and Urban Affairs has recommended all the states to consider reducing stamp duty of property transactions in a bid to push real estate activity, generate more revenue and aid economic growth.

Strength:

- Management depth and ability to manage client / customer relationships
- Enhanced presence in the market

Opportunities and Threats:

The infrastructure industry is subject to tough competition amongst various segments within and outside the country. The threat of competition is comparatively less in the area in which your company is operating. The increase in demand from business sector will provide opportunity to your company to increase more market share. Moreover, Indian infrastructure industry witnessing changes in business dynamics.

D. RISKS AND CONCERNS :

Your company is mainly focusing on real estate and infrastructure. Apart from the risk on account of interest rate and regulatory changes, business of the company are exposed to certain operating business risks, which is mitigated by regular monitoring and corrective actions. The company has taken necessary measures to safe guard its assets and interest etc. The risk of changes in the governmental policies is also there.

E. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and to monitor internal business process, financial reporting and compliance with applicable laws.

The internal control system has been designed so as to ensure that the financial and other records are reliable and reflects a true and fair view of the state of the Company's business. A qualified and independent committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them.

F. HUMAN RESOURCE MANAGEMENT :

The Company believes that human resource is the most important assets of the organization. It is not shown in the corporate balance sheet, but influences appreciably the growth, progress, profits and the shareholders' values. During the year your company continued its efforts aimed at improving the HR policies and processes to enhance its performance. The vision and mission of the company is to create culture and value system and behavioral skills to insure achievement of its short and long term objectives.

Cautionary Statement:

Statement made in the Management Discussion and Analysis Report describing the company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the markets in which the company operates changes in the government regulations, tax laws & other statutes and other incidental factors.

CORPORATE GOVERNANCE REPORT

Corporate Governance and practices in accordance with the provisions of Regulation 34 of SEBI (LODR) Regulations, 2015:

1. Company's philosophy on Code of Governance :

The Company's Philosophy on investor service and protection envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its stakeholders including shareholders, employees, the government and lenders. The Company is committed to achieve the highest standards of corporate governance. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a sustained period of time. The Company continues to take necessary steps towards achieving this goal.

2. Composition of Board of Directors & KMPs :

The present Board of Directors consists of half of Non-executive- Independent directors. As on date, the Board comprises of 3 (three) whole time/ executive directors and 3 (Three) non executive and independent directors.

The company does not have chairman and the number of non-executive/independent directors is 50% of the total number of directors. The Company, therefore, meets with the requirements relating to the composition of the Board of Directors.

The composition and category of Directors & KMP are as follows:

| CATEGORY | NAME OF DIRECTORS & KEY MANAGERIAL PERSONNEL |
|--------------------------------------|--|
| Promoter & Executive Directors | Shri Vikram C Patel (Promoter, Director, Manager & CFO) Shri Het D Patel (Promoter & Director) Smt. Saritaben N Patel (Promoter & woman Director) |
| Non- Executive Independent Directors | Shri Mehul B. Patel Shri. Sureshbhai N. Patel Shri. Rameshbhai R Patel |
| Key Managerial Personnel | Mrs. Neelam Gurbaxani (Company Secretary and Compliance Officer) Upto 05/07/2022 Mrs. Sonali Panchal (Company Secretary and Compliance Officer) w.e.f 05/07/2022 Mr. Vikram C Patel (Chief Financial Officer and Manager) |

Disclosure of relationships between Directors inter-se:

| Name of directors | Relationship with other Director |
|-------------------------|---|
| Mr. Vikram C Patel | Cousin brother of Mr. Het D Patel who is Director of the company and nephew of Mrs. Saritaben N Patel |
| Mr. Het D Patel | Cousin brother of Mr. Vikram C Patel who is Promoter, Director, Manager and CFO of the company and nephew of Mrs. Saritaben N Patel |
| Mrs. Saritaben N Patel | Wife of Late Shri Natwarlal B Patel and aunt of Mr. Vikram C Patel and Het D Patel. |
| Mr. Sureshbhai N. Patel | Not, in any way, concern / interested / related with any of the other directors of the company |
| Mr. Rameshbhai R Patel | Not, in any way, concern / interested / related with any of the other directors of the company |
| Mr. Mehul Patel | Not, in any way, concern / interested / related with any of the other directors of the company |

Number of Board Meetings held and dates on which held:

Six Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on 30/05/2022, 05/07/2022, 12/08/2022, 03/09/2022, 09/11/2022 and 06/02/2023. The necessary quorum was present for all the meetings.

Attendance of each Director at the Board meetings, Last Annual General Meeting and Number of Other Directorships and Chairmanships / Memberships of Committees of each Director in various companies, during the year 2022-23:

| Name Of Directors | Attendance particulars | | No. of Directorships* and Committee Memberships / Chairmanships | | |
|--------------------|------------------------|-----------------------------|---|----------------------|------------------------|
| | Board Meetings | Last AGM held on 29/09/2022 | Other Directorship | Committee Membership | Committee Chairmanship |
| Vikram C Patel | 6 | Present | None | 1 | None |
| Het D Patel | 6 | Present | None# | None | None |
| Saritaben N Patel | 6 | Present | None | None | None |
| Rameshbhai R Patel | 6 | Present | None | 2 | 2 |
| Suresh N. Patel | 6 | No | None | 3 | None |
| Mehul B Patel | 6 | No | None | 3 | 1 |

*No. of Directorship excludes directorship of Private Limited Companies, Foreign Companies, Companies license under Section 8 of the Companies Act, 2013 and Alternate Directorship.

Mr. Het D Patel was appointed as Director in Pioneer Amusement and Motels Limited (Public Co.) on 29/06/2022.

Note:

- I) Details of the Committee membership / chairmanship were in accordance with the Regulation 17 of SEBI (LODR) Regulations, 2015 as on 31/03/2023.
- II) None of the Directors of the company is a member of more than ten committees nor is the Chairman of more than five Committees across all the Companies in which he is a Director.

The information as required under Regulation 17(2) of SEBI (LODR) Regulations, 2015 is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated to the Directors in advance before the meeting. Adequate information is circulated as part of the Board papers and is also made available at the Board Meeting to enable the Board to take informed decisions. Where it is not practicable to attach supporting / relevant document(s) to the Agenda, the same are tabled at the meeting and specific reference to this is made in the agenda.

CFO Certification:

Mr. Vikram C Patel, Chief Financial officer of the company is giving annual certification on financial reporting and internal controls to the Board in compliance with Regulation 17[8] of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 [Listing Regulations].

Code of Conduct:

The Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company in compliance with Regulation 17 of SEBI (LODR) Regulations, 2015.

AUDIT COMMITTEE:

Presently, the audit committee comprises of Mr. Mehul B Patel as chairman and Mr. Suresh N Patel and Mr. Vikram C Patel as members of the Audit committee. All the members are having financial and accounting knowledge.

The constitution, composition and functioning of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015.

The Committee periodically discussed the Financial Reporting process, reviewed the Financial Statements, and discussed the quality of the applied accounting principles and significant judgment that affected the Company's Financial Statements. Before presenting the audited accounts to the members of the Board, the Audit Committee recommended the appointment of the statutory auditors, subject to the Board's approval. The audit Committee reviewed with adequacy of internal control systems with the management, statutory and internal auditors.

Terms of Reference:

The terms of reference of the Audit Committee include approving and implementing the audit procedures, reviewing financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines and also include those specified under the Regulation 18 of SEBI (LODR) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013.

Powers of the Audit Committee:

The Audit Committee has powers that include the following:

- a) To investigate any activity of the Company within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal and other professional advice
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

Audit Committee Meetings:

During the year under review, the committee conducted four meetings during the year under review, dated 30/05/2022, 12/08/2022, 09/11/2022 and 06/02/2023.

Attendance of Audit Committee Meeting:

| Name of Committee Members | Category/ Status | Designation | No. of Meeting attended |
|---------------------------|------------------------------------|-------------|-------------------------|
| Mr. Mehul B. Patel | Non-executive Independent Director | Chairman | 4 |
| Mr. Sureshbhai N. Patel | Non-executive Independent Director | Member | 4 |
| Mr. Vikram C. Patel | Executive Promoter Director | Member | 4 |

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration committee is entrusted with the responsibility of finalizing the remuneration of Executive / Whole Time Directors.

Presently, the Nomination and Remuneration committee comprises of Mr. Ramesh Revabhai Patel as Chairman and Mr. Suresh N Patel and Mr. Mehul B Patel as members. The constitution of Nomination and Remuneration Committee meets with the requirements under Regulation 19 of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013.

Nomination and Remuneration Committee Meetings:

The Committee conducted four meetings during the year under review, dated 30/05/2022, 05/07/2022, 09/11/2022 and 06/02/2023.

Attendance of Nomination & Remuneration Committee Meeting:

| Name of Committee Members | Status / Category | Designation | No. of Meeting attended |
|---------------------------|------------------------------------|-------------|-------------------------|
| Mr. Rameshbhai R Patel | Non-executive Independent Director | Chairman | 4 |
| Mr. Sureshbhai N. Patel | Non-executive Independent Director | Member | 4 |
| Mr. Mehul B. Patel | Non-executive Independent Director | Member | 4 |

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Board of Directors of the Company has constituted a Stakeholders Relationship Committee pursuant to Regulation 20 of SEBI (LODR) Regulations, 2015 and Section 178(5) of Companies Act, 2013.

Presently, the Stakeholders relationship committee comprises of Mr. Rameshbhai R. Patel as Chairman of the Committee and Mr. Sureshbhai N. Patel and Mr. Mehul B. Patel as Members of the Committee.

They inter alia, approve issue of duplicate share certificates and oversee and review all matters connected with the securities transfers. The Committee also looks into redressal of shareholders' grievances/ complaints like transfer of shares, non-receipts of balance sheet, non-receipt of declared dividends etc. The Committee oversees the performance of the Registrar and Transfer Agents (RTA) and recommends measures for overall improvement in the quality of investor services.

The Company has designated the below cited e-mail ID of the Grievance Redressal Division/ Compliance Officer exclusively for the purpose of registering complaints by investors. E-mail ID – popularestatemanagement@yahoo.co.in

None of the request for transfers, dematerialization and rematerialization has been received during the year; hence no request was pending for approval as on 31st March, 2023.

Stakeholders' relationship Committee Meetings:

During the year under review, the Committee has conducted four meetings dated 30/05/2022, 12/08/2022, 09/11/2022 and 06/02/2023.

Attendance of Stakeholders relationship Committee Meeting:

| Name of Committee Members | Category | Status/ Designation | No. of Meeting attended |
|---------------------------|------------------------------------|---------------------|-------------------------|
| Mr. Rameshbhai R. Patel | Non-executive Independent Director | Chairman | 4 |
| Mr. Sureshbhai N. Patel | Non-executive Independent Director | Member | 4 |
| Mr. Mehul B. Patel | Non-executive Independent Director | Member | 4 |

Independent Directors' Meeting:

A separate meeting of Independent Directors was held on 30th May, 2022, inter alia, to discuss:

1. Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole,
2. Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors and
3. Evaluation of the quality, content and timelines of flow of information between the Management and the Board and that is necessary to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

INVESTORS COMPLAINT DETAILS:

Quarter-wise Summary of Investors' Complaints received and resolved to the satisfaction of the shareholders during the financial year 2022-23.

| Quarter Period | | Complaints pending at the beginning of the quarter | Complaints received during the quarter | Complaints disposed off during the quarter | Complaints remaining unresolved at the end of the quarter |
|---|------------|--|--|--|---|
| From | To | | | | |
| 01/04/2022 | 30/06/2022 | 0 | 0 | 0 | 0 |
| 01/07/2022 | 30/09/2022 | 0 | 0 | 0 | 0 |
| 01/10/2022 | 31/12/2022 | 0 | 0 | 0 | 0 |
| 01/01/2023 | 31/03/2023 | 0 | 0 | 0 | 0 |
| Total | | 0 | 0 | 0 | 0 |
| Complaint pending at beginning of the year | | | 0 | | |
| Complaint received during the year | | | 0 | | |
| Complaint disposed off during the year | | | 0 | | |
| Complaint remaining unresolved at the end of the year | | | 0 | | |

Corporate Social Responsibility Committee

The Corporate Social Responsibility committee has been dissolved and discontinued as the Company is outside the purview of Section 135 of the Companies Act, 2013 and rules made thereunder. Therefore the company is not required to form committee or spend anything under CSR activities.

Annual General Meetings:

Location, Date and Time for last three Annual General Meetings were as follows:

| Year | Venue of Annual General Meeting | Date | Time |
|---------|---|------------|------------|
| 2019-20 | 81, 8 th Floor, A-Wing, "New York Tower", Thaltej Cross Road, Sarkhej Gandhinagar Highway, Ahmedabad-380054 | 27/08/2021 | 11.30 a.m. |
| 2020-21 | 81, 8 th Floor, A-Wing, "New York Tower", Thaltej Cross Road, Sarkhej Gandhinagar Highway, Ahmedabad-380054 | 29/11/2021 | 11.30 a.m. |
| 2021-22 | Held through Video Conferencing Deemed Venue: 81, 8 th Floor, A-Wing, "New York Tower", Thaltej Cross Road, Sarkhej Gandhinagar Highway, Ahmedabad-380054 | 29/09/2022 | 11.30 a.m. |

Disclosures:

The company has entered into transaction with related part (ies) as per Accounting Standard 18 and the same has been disclosed by the statutory auditor in his report. However, they are in the ordinary course of business and on arm's length basis.

Means of Communication:

The Company regularly intimates quarterly un-audited as well as yearly audited financial results to the Stock Exchange, immediately after the same are taken on record by the Board. These results are normally published in “Free Press Gujarat” English daily and in “Lokmitra” Gujarati Daily News Paper and are also uploaded on company’s website <https://www.popularestatemanagement.in/>. These are not sent individually to the Shareholders.

General Shareholder Information:**Twenty Ninth Annual General Meeting**

Date : 29th day of September, 2023
Time : 11:30 a.m.
Deemed Venue : 81, 8th Floor, A-Wing, “New York Tower”, Opp. Muktidham Derasar,
Thaltej, S. G. Highway, Ahmedabad-380054, Gujarat

Financial Year / Calendar:

The company follows April to March as its Financial Year. The results for every quarter beginning from April are being declared in the month following the quarter as per the LODR Regulations, 2015

Date of Book Closure:

The share transfer books shall be closed from Friday, 22nd day of September, 2023 to Friday, 29th day of September, 2023 (both days inclusive).

Listing of Equity Shares on Stock Exchanges at:

Bombay Stock Exchange Limited, Mumbai (BSE),
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai -400001

Annual listing fees for the year 2023-24, as applicable, have been paid to the Bombay Stock Exchange Limited. The Company has also paid Annual Custodial Fees for the year 2023-24, as applicable, to National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL].

REVOCATION OF SUSPENSION OF TRADING IN EQUITY SHARES OF THE COMPANY:

During the financial year 2021-22, pursuant to the provisions of Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 issued by Securities and Exchange Board of India (SEBI) with respect to Standard Operating Procedure (SOP) for suspension and revocation of equity shares of listed entities for non-compliance with provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Bombay stock exchange has suspended the trading in the equity shares of the company w.e.f June 11, 2021 and levied a fine alongwith GST Rs. 33,37,040/- for non-compliance of various regulations. Then after, the company had applied for waiver of fines levied by stock exchange. The waiver committee of Bombay Stock Exchange (BSE) have considered the waiver application and waived off Rs. 27,52,940/- and ordered to pay the remaining fine amounting to Rs. 5,84,100/- which was duly paid by the company on **6th April, 2022 i.e. during current financial year.**

The company had also made an application for revocation of suspension of trading in equity shares of the company.

Accordingly, the company has been granted in-principle approval for revocation of suspension in trading of securities of company on 29/03/2023 and the company has also received post approval for revocation of suspension in trading of equity shares of company on 21/06/2023 and **the suspension of trading in equity shares was revoked and trading in shares was started w.e.f. 30/06/2023.**

Scrip Code:

Bombay Stock Exchange Limited : 531870
Demat ISIN Number in NSDL & CDSL for Equity Shares : INE370C01015

REGISTRARS AND TRANSFER AGENTS:**LINK INTIME INDIA PRIVATE LIMITED**

Address: 5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1) Besides Gala Business Centre, Nr. St. Xavier's College Centre, Off C.G. Road, Navrangpura, Ahmedabad-380009, Gujarat.

Phone: 079-26465179/5186/5187
E-mail: ahmedabad@linkintime.co.in
Website: www.linkintime.co.in

Share Transfer / Demat System:

All the shares related work is being undertaken by our R & T Agent, Link Intime India Private Limited. To expedite the process of share transfer, transmission, split, consolidation, re-materialization and dematerialization etc. of securities of the Company, the Board of Directors has delegated the power of approving the same to the Company's R & T Agent under the supervision and control of the Compliance Officer Mrs. Neelam Gurbaxani till 5th July, 2022 and now under Mrs. Sonali Panchal, who is placing a summary statement of transfer/ transmission etc. of securities of the Company at the meeting of the Stakeholders Relationship Committee.

Share lodged for transfer at the R & T Agents address in physical form are normally processed and approved within 15 days from the date of its receipt, subject to the documents been valid and complete in all respect. Normally, the entire request for de-materialization of shares is processed and the confirmation is given to the Depository within 15 days. The investors / shareholders grievances are also taken-up by our R & T Agent.

The Company has obtained and filed with the Stock Exchange(s), the half yearly certificates from a Company Secretary in Practice as required under Regulations 17 to 27 & part E of Schedule II of the Listing Regulations.

De-materialization of Shares and Liquidity

The Company's Shares are in compulsory Demat segment and as on 31st March, 2023, 1,22,19,200 Equity Shares of the Company forming 87.28% of the company's paid - up Equity share capital is in dematerialized form.

Reconciliation of Share Capital Audit Report:

The Reconciliation of Share Capital Audit Report of the Company prepared in terms of SEBI Circular No. D&CC/FITTC/CIR-16/2002 dated December 31, 2002 reconciling the total shares held in both the depositories, viz NSDL and CDSL and in physical form with the total issued / paid-up capital of the Company were placed before the Board of Directors every quarter and also submitted to the Stock Exchange(s) every quarter.

Outstanding GDR/DR/Warrants or any Convertible Instruments: Not applicable.

Distribution Schedule and Shareholding Pattern as on 31st March, 2023

Distribution Schedule:

| No. of equity shares held | No. of holders | % of Total | No. of shares | % of Total |
|---------------------------|----------------|---------------|-----------------|---------------|
| 1 - 500 | 1161 | 81.5882 | 146653 | 1.0475 |
| 501 - 1000 | 119 | 8.3626 | 104363 | 0.7454 |
| 1001 - 2000 | 53 | 3.7245 | 88080 | 0.6291 |
| 2001 - 3000 | 19 | 1.3352 | 47073 | 0.3362 |
| 3001 - 4000 | 13 | 0.9136 | 46470 | 0.3319 |
| 4001 - 5000 | 9 | 0.6325 | 42132 | 0.3009 |
| 5001 - 10000 | 7 | 0.4919 | 40266 | 0.2876 |
| 10001 And Above | 42 | 2.9515 | 13485163 | 96.3212 |
| Total | 1423 | 100.00 | 14000200 | 100.00 |

Shareholding Pattern:

| Sr. No. | Category | As on March 31, 2023 | | As on March 31, 2022 | |
|---------|--|----------------------|-------------------|----------------------|-------------------|
| | | Nos. of Shares held | Voting Strength % | Nos. of Shares held | Voting Strength % |
| 1 | Promoters | 9354848 | 66.82 | 9354848 | 66.82 |
| 2 | Mutual Fund & UTI | 0 | 0 | 0 | 0 |
| 3 | Bank, Financial Institutions (FI's), Insurance Companies | 0 | 0 | 0 | 0 |
| 4 | Foreign Institutional Investors (FII's) | 0 | 0 | 0 | 0 |
| 5 | Bodies Corporate | 2292316 | 16.3735 | 2292316 | 16.3735 |
| 6 | Indian Public and HUF | 2353036 | 16.8072 | 2353036 | 16.8072 |
| 7 | Clearing Member | 0 | 0 | 0 | 0 |
| | Total | 14000200 | 100.00 | 14000200 | 100.00 |

Address for correspondence

| | | |
|----|--|---|
| a) | Investor Correspondence for transfer / de-materialization of shares and any other query relating to the shares of the Company. | <p>Link Intime India Private Limited 5th Floor, 506-508, Amarnath Business Centre-1 (ABC-1) Besides Gala Business Centre, Nr. St. Xavier's College Centre, Off C.G. Road, Navrangpura, Ahmedabad-380009, Gujarat. Tel : 079-26465179/5186/5187 E-mail: ahmedabad@linkintime.co.in</p> |
| b) | Any other query and Annual Report | <p>Secretarial Department 81, 8th Floor, A-Wing, "New York Tower", Thaltej Cross Road, Sarkhej Gandhinagar Highway, Ahmedabad-380054 Tel : 079-26858881 Fax : 079-26854831 E-mail: popularestatemanagement@yahoo.co.in</p> |

Compliance by the Company:

The company has mostly complied with all the mandatory requirements of the Listing regulations and guidelines of SEBI.

However, during the financial year 2021-22, pursuant to the provisions of Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 issued by Securities and Exchange Board of India (SEBI) with respect to Standard Operating Procedure (SOP) for suspension and revocation of equity shares of listed entities for non-compliance with provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Bombay stock exchange has suspended the trading in the equity shares of the company w.e.f June 11, 2021 and levied a fine alongwith GST Rs. 33,37,040/- for non-compliance of various regulations. Then after, the company had applied for waiver of fines levied by stock exchange. The waiver committee of Bombay Stock Exchange (BSE) have considered the waiver application and waived off Rs. 27,52,940/- and ordered to pay the remaining fine amounting to Rs. 5,84,100/- which was duly paid by the company on **6th April, 2022 i.e. during current financial year.**

The company had also made an application for revocation of suspension of trading in equity shares of the company.

Accordingly, the company has been granted in-principle approval for revocation of suspension in trading of securities of company on 29/03/2023 and the company has also received post approval for revocation of suspension in trading of equity shares of company on 21/06/2023 and **the suspension of trading in equity shares was revoked and trading in shares was started w.e.f. 30/06/2023.**

Regd. Office:
81, 8th Floor, A-Wing,
“New York Tower”, Opp. Muktidham Derasar,
Thaltej, S. G. Highway, Ahmedabad-380054

By Order of the Board
For, Popular Estate Management Limited

Sd/-
Vikram Chhaganlal Patel
Director, CFO & Manager
DIN: 00166707

Sd/-
Het D Patel
Director
DIN: 06986909

Date: 01/09/2023

CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Directors
Popular Estate Management Limited

Re: Certificate in compliance with Regulation 17[8] of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 [Listing Regulations]

Dear Sirs,

In compliance with Regulation 17[8] of the Listing Regulations read with schedule II of part B of the Listing Regulations, I, Vikram C Patel, CFO of the Company **M/s. Popular Estate Management Limited**, hereby certify that for the financial year ending **31st March, 2023**

(a) I have reviewed financial statements and the cash flow statement and the Directors' report for the year and that to the best of my 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 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 my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct or ethics policy.

(c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company 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 they are aware and the steps taken or proposed to take to rectify these deficiencies.

(d) I have indicated to the auditors and the Audit Committee that;

- (i) there are no significant changes in internal control over financial reporting during the year,
- (ii) there are no significant changes in accounting policies during the year and
- (iii) there are no instances of significant fraud of which we 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.

Place: Ahmedabad

Date: 01/09/2023

Sd/-

**VIKRAM C PATEL
DIRECTOR, MANAGER & CFO
PAN: AGUPP0288P**



RONAK DOSHI & ASSOCIATES

Practicing Company Secretary

PHONE: 079-40026633 M: +91-9033009739 EMAIL: csronakdoshi@yahoo.com

802, Mahakant Complex, Opp. V.S. Hospital, Ellis Bridge, Ahmedabad-380006

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of Board

POPULAR ESTATE MANAGEMENT LIMITED

81, 8th Floor, "A" wing, New York Tower,
Opp. Muktidham Derasar, Thaltej,
S. G. Highway, Ahmedabad - 380054, Gujarat.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **POPULAR ESTATE MANAGEMENT LIMITED** having CIN: **L65910GJ1994PLC023287** and having registered office at 81, 8th Floor, "A" wing, New York Tower, Opp. Muktidham Derasar, Thaltej, S. G. Highway Ahmedabad (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continue as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|---------|----------------------------|----------|--------------------------------|
| 1. | Vikram Chhaganlal Patel | 00166707 | 25/01/2021 |
| 2. | Het Dashrathbhai Patel | 06986909 | 29/07/2021 |
| 3. | Saritaben Natwarbhai Patel | 07074237 | 21/01/2015 |
| 4. | Sureshbhai Natverlal Patel | 00481889 | 31/03/2006 |
| 5. | Rameshbhai Revabhai Patel | 07074253 | 21/01/2015 |
| 6. | Mehul B Patel | 09208938 | 29/06/2021 |

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place: Ahmedabad

Date: 24/08/2023

UDIN: A023712E000853772

For, Ronak Doshi & Associates

Sd/-

Ronak D Doshi

Proprietor

Membership No. 23712

C. P. No. 12725

PRC No.: 1698/2022



RONAK DOSHI & ASSOCIATES

Practicing Company Secretary

PHONE: 079-40026633 M: +91-9033009739 EMAIL: csronakdoshi@yahoo.com

802, Mahakant Complex, Opp. V.S. Hospital, Ellis Bridge, Ahmedabad-380006

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,

The Members of Board

POPULAR ESTATE MANAGEMENT LIMITED

81, 8th Floor, "A" wing, New York Tower,

Opp. Muktidham Derasar, Thaltej,

S. G. Highway, Ahmedabad - 380054, Gujarat.

We have examined the compliance of conditions of corporate governance by **Popular Estate Management Limited ('the Company')** for the year ended **31st March, 2023** as stipulated in SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015, as amended (erstwhile Clause 49 of the Listing Agreement).

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has *mostly* complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 & Part E of Schedule II of the Listing Regulations.

We state that in respect of the investor grievances during the year ended March 31, 2023, no such investor grievances were received during the year and hence not remained unattended/pending for more than 30 days.

We further 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.

MATTERS OF EMPHASIS:

During the financial year 2021-22, pursuant to the provisions of Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 issued by Securities and Exchange Board of India (SEBI) with respect to Standard Operating Procedure (SOP) for suspension and revocation of equity shares of listed entities for non-compliance with provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; Bombay stock exchange has suspended the trading in the equity shares of the company w.e.f June 11, 2021 and levied a fine alongwith GST Rs. 33,37,040/- for non-compliance of various regulations. Then after, the company had applied for waiver of fines levied

by stock exchange. The waiver committee of Bombay Stock Exchange (BSE) have considered the waiver application and waived off Rs. 27,52,940/- and ordered to pay the remaining fine amounting to Rs. 5,84,100/- which was duly paid by the company on **6th April, 2022 i.e. during current financial year.**

Then, as informed to us by the management of the company, they had made an application for revocation of suspension of trading in equity shares of the company.

Accordingly, the company has been granted in-principle approval for revocation of suspension in trading of securities of company on 29/03/2023 and the company has also received post approval for revocation of suspension in trading of equity shares of company on 21/06/2023 and **the suspension of trading in equity shares was revoked and trading in shares was started w.e.f. 30/06/2023.**

Place: Ahmedabad

Date: 24/08/2023

UDIN: A023712E000853805

**For, Ronak Doshi & Associates
Practicing Company Secretaries**

Sd/-

Ronak D Doshi

Proprietor

Membership No. 23712

C. P. No. 12725

PRC No.: 1698/2022

H.S.JANI



ASSOCIATES

Hersh Samir Jani
B.com, LL.B, FCA, D.I.S.A (I.C.A.I.)

INDEPENDENT AUDITOR'S REPORT

To The Members of Popular Estate Management Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Popular Estate Management Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the 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 (referred as "financial statements" hereinafter).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind-AS"), and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2023, its profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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. We have determined that there are no key audit matters to communicate in our report.



701, 702, 708, Sakar V, B/h. Natraj Cinema, Ashram Road, Ahmedabad - 380 009. Gujarat (INDIA)
T.Fax : +91-79-2658 3708 M : +91-98254 57510 E : hershjani@yahoo.co.in

Information Other than the Financial Statements & Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexure thereof and Corporate Governance including annexures which shall form part of Annual Report of the company but does not include the financial statements and our auditor's report thereon. The said reports are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the said reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibility 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of management's and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or



when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure-A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with all the Indian Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting
 - g) With respect to the matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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 limit 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,
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 – refer note 33.

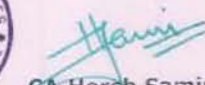


- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. Reporting in respect of following:
 - a. The Company's Management and the Board of Directors have represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
 - b. The Company's Management and the Board of Directors have represented, that, to the best of their knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and,
 - c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.
- v. The dividend declared or paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013,
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

Place: Ahmedabad
Date: 29/05/2023



For H.S.Jani & Associates,
Chartered Accountants,
FRN: 127515W


CA. Hersh Samir Jani
Proprietor
Mem. No.: 124104
UDIN : 23124104B0YFHR5474

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Based on the audit procedures performed by us for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations provided to us by the Company and the books of account and other records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

1. In respect of the Company's Property, Plant and Equipment, Right-of-Use Assets and Intangible Assets:
 - a. (A) The company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant & Equipment and relevant details of right-of-use assets.
 - (B) The company has maintained proper records showing full particulars of Intangible assets.
 - b. The Property, Plant & Equipment and Right-of-Use Assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
 - c. The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements under the head "Property, Plant & Equipment", are held in the name of the Company:

| Description of property | Gross Carrying Value (Rs. In Lakhs) | Held in name of | Whether promotor, director or their relative or employee | Period of holding | Reason for not being held in name of company |
|-------------------------|-------------------------------------|-----------------|--|-------------------|--|
| NIL | NIL | NIL | NIL | NIL | NIL |

- d. The company has not revalued its Property, Plant & Equipment (including right-of-use assets) or Intangible assets or both during the year.
- e. There are no proceedings initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transaction Act, 1988 and rules made thereunder.



2. In respect of the Company's inventory:
- Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed. In our opinion, the coverage and procedure of such verification by the management is appropriate.
 - During the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from the banks or financial institutions. Hence reporting under this clause is not applicable for the year under report.
3. During the year, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence reporting under this clause is not applicable to the company for the year under report.
4. The company has not given any loans, or provided any guarantee or security as specified under section 185 and 186 of the Act. Hence reporting under this clause is not applicable to the company for the year under report.
5. The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, or any other relevant provisions of the Act and the rules made thereunder. Hence reporting under this clause is not applicable to the company for the year under report.
6. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act. Hence reporting under this clause is not applicable to the company for the year under report.
7. In respect of statutory dues payable by the company:
- The company has generally been regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the yearend for a period of more than six months from the date they became payable
 - Dues of income tax which has not been deposited as at March 31, 2023 on account of dispute is given below. There is no further pending dispute on the part of company except stated below:

| Name of the statute | Nature of the Dues | Forum where dispute is pending | Period to which the amount relates | Amount involved (Rs.) | Amount unpaid (Rs.) |
|--------------------------------------|--------------------|--|------------------------------------|-----------------------|---------------------|
| Income Tax Act, 1961 & related rules | Demand for Tax | Gujarat High Court, Ahmedabad | FY 2007-08 | 2,27,84,130 | 2,27,84,130 |
| | | | FY 2008-09 | 3,87,27,804 | 3,87,27,804 |
| | | | FY 2011-12 | 7,82,13,780 | 7,82,13,780 |
| | | Commissioner of Income-tax (Appeals)-9, Income Tax Department, Ahmedabad | FY 2010-11 | 2,15,44,640 | 2,15,44,640 |
| | | | FY 2014-15 | 5,90,94,570 | 5,90,94,570 |



| | | | | | |
|--------------------------------|----------------|--|------------|-----------|-----------|
| Wealth Tax Act & related rules | Demand for Tax | Commissioner of Wealth-Tax (Appeal), Ahmedabad | FY 2011-12 | 13,04,242 | 13,04,242 |
|--------------------------------|----------------|--|------------|-----------|-----------|

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. Reporting in respect of following:
- The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - The company has not declared as a willful defaulter by any bank or financial institution or other lender.
 - The Company has not taken any term loans during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under this clause is not applicable to the company for the year under report.
 - funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company
 - The company does not have subsidiaries, associates or joint ventures and hence reporting under this clause is not applicable to the company for the year under report.
 - The company does not have subsidiaries, associates or joint ventures and hence reporting under this clause is not applicable to the company for the year under report.
10. During the current year, the company has neither raised money by way of initial public offer or further public offer (including debt instruments) nor made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible). Hence reporting under this clause is not applicable to the company for the year under report
11. In respect of reporting of fraud or whistle blower mechanism:
- No fraud by the Company or any fraud on the Company has been noticed or reported during the year.
 - No report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - No whistle blower complaints were received by the Company during the year.
12. Company is not a Nidhi Company hence reporting under this clause is not applicable to the company for the year under report.
13. In our opinion and according to the information and explanations given to us, the Company is in compliance with Sections 177 and 188 of the Act, where applicable, in respect of all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.



14. In respect of internal audit system:

- a. The Company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the Company issued till date for the period under audit.

15. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company. Accordingly, reporting under this clause is not applicable to the company for the year under report

16. Reporting in respect of following:

- a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under this clause is not applicable to the company for the year under report
- b. The company has not conducted any Non-Banking or Housing Financial activities with or without any Valid Certificate of Registration (CoR) from the RBI as per the RBI Act, 1934. Hence reporting under this clause is not applicable to the company for the year under report.
- c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence reporting under this clause is not applicable to the company for the year under report.
- d. The Group does not have any CIC. Therefore, the requirements of clause 3(xvi)(d) are not applicable. Hence reporting under this clause is not applicable to the company for the year under report.

17. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

18. There has not been any resignation of the statutory auditors during the year.

19. The financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



20. Reporting in respect of Corporate Social Responsibility (CSR) u/s. 135:

- a. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Hence reporting under clause is not applicable to the company for the year under report
- b. In our opinion, there are no ongoing projects towards Corporate Social Responsibility (CSR) requiring a transfer to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Hence reporting under this clause is not applicable to the company for the year under report.

21. Requirements of preparing & issuing of consolidated financial statements are not applicable to the company and hence reporting under this clause is not applicable to the company for the year under report.



For H.S.Jani & Associates,
Chartered Accountants,
FRN: 127515W

Hansi
CA.Hersh Samir Jani
Proprietor
Mem. No.: 124104

Place: Ahmedabad
Date: 29/05/2023

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act)

We have audited the internal financial controls over financial reporting of **Popular Estate Management Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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 Company's internal financial controls over financial reporting of the Company and its joint operations companies incorporated in India (retain as applicable) 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 Act, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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, 2023, based on the criteria for internal financial control over financial reporting 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.

Place: Ahmedabad
Date: 29/05/2023



For H.S.Jani & Associates,
Chartered Accountants,
FRN: 127515W

A handwritten signature in blue ink that appears to read "H. Jani".

CA. Hersh Samir Jani
Proprietor
Mem. No.: 124104

POPULAR ESTATE MANAGEMENT LIMITED

| | | | | "000 |
|---|---|---|-------------------------|-------------------------|
| Particulars | | Note No. | As at March 31, 2023 | As at March 31, 2022 |
| A | ASSETS | | | |
| 1 | Non-current assets | | | |
| | (a) Property, plant and equipment | 5 | 9553 | 15528 |
| | (b) Intangible Assets | 6 | 19 | 25 |
| | (c) Financial assets | | | |
| | (i) Investments | 7 | 8287 | 8287 |
| | (ii) Others | 8 | 1574 | 1574 |
| | (d) Deferred Tax Assets | 9 | 4847 | 4847 |
| | Total non - current assets | | 24281 | 30262 |
| 2 | Current assets | | | |
| | (a) Inventories | 10 | 50130 | 50130 |
| | (b) Financial assets | | | |
| | (i) Trade receivables | | - | 0 |
| | (ii) Cash and cash equivalents | 11 | 154 | 33 |
| | (iii) Other financial assets | 12 | 61 | 61 |
| | (d) Other current assets | 13 | 439537 | 439463 |
| | Total current assets | | 489881 | 489686 |
| | Total assets (1+2) | | 514162 | 519948 |
| B | EQUITY AND LIABILITIES | | | |
| 1 | Equity | | | |
| | (a) Equity share capital | 14 | 140002 | 140002 |
| | (b) Other equity | 15 | 294617 | 303591 |
| | Total equity | | 434619 | 443593 |
| 2 | LIABILITIES | | | |
| | Non-current liabilities | | | |
| | (a) Financial liabilities | | | |
| | (i) Borrowings | 16 | 75999 | 73632 |
| | Total non - current liabilities | | 75999 | 73632 |
| 3 | Current liabilities | | | |
| | (a) Financial liabilities | | | |
| | (i) Trade payables | 17 | 3545 | 2709 |
| | (ii) Other financial liabilities | 18 | - | 13 |
| | (b) Other current liabilities | 19 | | 0 |
| | Total current liabilities | | 3545 | 2722 |
| | Total equity and liabilities (1+2+3) | | 514162 | 519948 |
| In terms of our report of even date. For, H. S. Jani & Associates, Chartered Accountants (Firm Regd. No. 127515W) | | For & on behalf of the board of Popular Estate Management Limited | | |
| Sd/- Hersh S. Jani Proprietor (M. No. 124104) Place : Ahmedabad Date : 29/05/2023 | | Sd/- Het D. Patel Director (DIN: 06986909) Sd/- Vikram C. Patel Director, Chief Financial Officer & Manager (DIN: 00166707) Place: Ahmedabad Date : 29/05/2023 | | |
| | | Sd/- Sonali Panchal Company Secretary ACS Mem No : 23824 | | |

POPULAR ESTATE MANAGEMENT LIMITED

| Statement of Profit and Loss for the year ended March 31, 2023 | | | |
|---|----------|---------------------------|---------------------------|
| | | | "000 |
| Particulars | Note No. | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
| I Revenue from operations | | | 0 |
| II Other income | 20 | 0 | 504 |
| III Total income (I + II) | | 0 | 504 |
| IV EXPENSES | | | |
| (a) Changes in inventories of finished goods, stock-in-trade and work-in-progress | 21 | | 0 |
| (b) Employee benefit expense | 22 | 1166 | 1183 |
| (c) Finance costs | 23 | 208 | 892 |
| (d) Depreciation and amortisation expense | 24 | 2622 | 3485 |
| (e) Other expenses | 25 | 4978 | 2693 |
| Total expenses | | 8975 | 8252 |
| V Profit/(loss) before tax (III- IV) | | -8975 | -7748 |
| VI Tax expense | | | |
| (1) Current tax | 26 | | 0 |
| (2) Deferred tax | 26 | | 2098 |
| Total tax expense | | | 2098 |
| VII Profit/(loss) for the period (V-VI) | | -8975 | -9846 |
| VIII Other comprehensive income | | | |
| (i) Items that will not be reclassified to profit or loss | | | 0 |
| (ii) Items that may be reclassified to profit or loss | | | 0 |
| IX Total comprehensive income for the period (VII+VIII) | | -8975 | -9846 |
| X Basic & diluted earnings per share of face value of Rs.10 each fully paid up | | | |
| (1) Basic | 30 | - 0.64 | - 0.70 |
| (2) Diluted | 30 | - 0.64 | - 0.70 |

| | | | | | |
|---|--|--|---|--|---------------------------------------|
| <p>In terms of our report of even date. For, H. S. Jani & Associates, Chartered Accountants (Firm Regd. No. 127515W)</p> <p style="text-align: right; margin-top: 20px;">Sd/- Hersh S. Jani Proprietor (M. No. 124104)</p> <p style="text-align: right; margin-top: 10px;">Place : Ahmedabad Date : 29/05/2023</p> | <p style="text-align: center;">For & on behalf of the board of Popular Estate Management Limited</p> <table style="width: 100%; margin-top: 20px;"> <tr> <td style="text-align: center; width: 50%;">Sd/- Het D. Patel Director (DIN: 06986909)</td> <td style="text-align: center; width: 50%;">Sd/- Sonali Panchal Company Secretary ACS Mem No : 23824</td> </tr> </table> <table style="width: 100%; margin-top: 20px;"> <tr> <td style="text-align: center; width: 50%;">Sd/- Vikram C. Patel Director, Chief Financial Officer & Manager (DIN: 00166707)</td> <td style="text-align: center; width: 50%;">Place: Ahmedabad Date : 29/05/2023</td> </tr> </table> | Sd/- Het D. Patel Director (DIN: 06986909) | Sd/- Sonali Panchal Company Secretary ACS Mem No : 23824 | Sd/- Vikram C. Patel Director, Chief Financial Officer & Manager (DIN: 00166707) | Place: Ahmedabad Date : 29/05/2023 |
| Sd/- Het D. Patel Director (DIN: 06986909) | Sd/- Sonali Panchal Company Secretary ACS Mem No : 23824 | | | | |
| Sd/- Vikram C. Patel Director, Chief Financial Officer & Manager (DIN: 00166707) | Place: Ahmedabad Date : 29/05/2023 | | | | |

POPULAR ESTATE MANAGEMENT LIMITED

| Cash Flow Statement for the year ended March 31, 2023 | | |
|---|--------------------------------------|--------------------------------------|
| Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
| Cash flow from operating activities | | |
| Profit before tax | -8975 | -7748 |
| Adjustments for : | | |
| Depreciation and amortisation expense | 2622 | 3485 |
| Finance costs | 208 | 892 |
| Gain on sale of fixed assets | 0 | 0 |
| Interest income | 0 | 0 |
| Operating profit before working capital changes | -6144 | -3371 |
| Changes in operating assets and liabilities: | | |
| (Increase)/Decrease in trade receivables | | 0 |
| (Increase)/Decrease in other current assets | -74 | 129 |
| Increase/(Decrease) in trade payable | 835 | 500 |
| Increase/(Decrease) in other current financial liabilities | -13 | -6268 |
| Increase/(Decrease) in other current liabilities | | 161 |
| Cash flow generated from operations | -5397 | -8849 |
| Direct taxes paid (net) | | 0 |
| NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A) | -5397 | -8849 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipments | | |
| Sale of property, plant and equipments | 3359 | 200 |
| Purchase of Intangible assets | | 0 |
| NET CASH FLOW FROM / (USED IN) IN INVESTING ACTIVITIES (B) | 3359 | 305 |
| Cash flows from financing activities | | |
| Finance costs paid | -208 | -892 |
| Repayment of borrowings | | 0 |
| Proceeds from additional borrowings obtained | 2367 | 9420 |
| NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C) | 2159 | 8528 |
| | | |
| | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
| NET INCREASED / (DECREASED) IN CASH AND CASH EQUIVALENTS (A + B + C) | 121 | -16 |
| Cash and cash equivalents at the beginning of the year | 33 | 36 |
| Cash and cash equivalents at the end of the year | 154 | 20 |

POPULAR ESTATE MANAGEMENT LIMITED

Cash Flow Statement for the year ended March 31, 2023

Notes:

(i). The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 Cash Flow Statements specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(ii). Previous Period's / Year's figures have been re-grouped / Re-Classified where necessary to make it comparable with the current period.

In terms of our report of even date.

For, H. S. Jani & Associates,

Chartered Accountants

(Firm Regd. No. 127515W)

For & on behalf of the board of

Popular Estate Management Limited

Sd/-

Het D. Patel

Director

(DIN: 06986909)

Sd/-

Sonali Panchal

Company Secretary

ACS

Mem No : 23824

Sd/-

Hersh S. Jani

Proprietor

(M. No. 124104)

Sd/-

Vikram C. Patel

Director, Chief Financial Officer & Manager

(DIN: 00166707)

Place : Ahmedabad

Date : 29/05/2023

Place: Ahmedabad

Date : 29/05/2023

POPULAR ESTATE MANAGEMENT LIMITED

Statement of Changes in Equity for the year ended on March 31, 2023

Equity Share Capital

| Particulars | Note No. | Amount |
|------------------------------|----------|-------------|
| Balance as on April 1, 2021 | 14 | 140,002,000 |
| Additions during the year | | Nil |
| Balance as on March 31, 2022 | 14 | 140,002,000 |
| Changes during the year | | Nil |
| Balance as on March 31, 2023 | 14 | 140,002,000 |

Other Equity

| Particulars | Note No. | Other Equity | | | Total |
|--|----------|--------------------|----------------------------|-----------------|--------------------|
| | | Retained Earnings | | General Reserve | |
| | | Profit and Loss | Other Comprehensive Income | | |
| Balance as at March 31, 2021 | 15 | 312,722,235 | - | 715,000 | 313,437,235 |
| Loss for the year | | (9,845,793) | - | - | (9,845,793) |
| Other comprehensive income for the year (net of Tax) | | - | - | - | - |
| Balance as at March 31, 2022 | 15 | 302,876,442 | - | 715,000 | 303,591,442 |
| Loss for the year | | (8,974,624) | | | (8,974,624) |
| Other comprehensive income for the year (net of Tax) | | | | | |
| Balance as at March 31, 2023 | 15 | 293,901,818 | - | 715,000 | 294,616,818 |

In terms of our report of even date.
For, H. S. Jani & Associates,
 Chartered Accountants
 (Firm Regd. No. 127515W)

For & on behalf of the board of
Popular Estate Management Limited

Sd/-
Het D. Patel
 Director
 (DIN: 06986909)

Sd/-
Solani Panchal
 Company Secretary
 ACS
 Mem No : 23824

Sd/-
Hersh S. Jani
 Proprietor
 (M. No. 124104)

Sd/-
Vikram C. Patel
 Director, Chief Financial Officer & Manager
 (DIN: 00166707)

Place : Ahmedabad
 Date : 29/05/2023

Place: Ahmedabad
 Date : 29/05/2023

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

1. Corporate information:

Popular Estate Management Limited (CIN: L65910GJ1994PLC023287) (referred as "the Company" in these financial statements) was incorporated on October 14, 1994; having registered office at Ahmedabad, Gujarat, India. The Company's operations pre-dominantly relates to construction & development of buildings and infrastructure.

The company is a listed public company on Bombay Stock Exchange vide script code: 531870.

These financial statements are approved for issue by the Company's Board of Directors on 29/05/2023.

2. Statement of compliance:

These financial statements comprising of Balance Sheet as at March 31, 2023, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year ended March 31, 2023; have been prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

3. Basis of preparation:

The financial statements have been prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except for financial instruments where the fair valuation have been carried out in accordance with the requirements of respective Ind AS.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

All the numbers in these financial statements are reported in Rupees unless otherwise stated.

4. Summary of significant accounting policies:

i) Use of estimates:

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the financial statements. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from estimates.

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities in coming financial years are specified here-in-after:

a) Useful lives of property, plant and equipment

The Company is providing depreciation at the rates derived based on the useful life specified under Schedule-II to the Companies Act, 2013. The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

b) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date, adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

Major provisions recognized in financial statement and related accounting policy are specified as under:

Current / Deferred tax liabilities - Refer Note 4(xiv), 9 and 26

Other estimates:

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

ii) Revenue recognition:

a) Revenue from operations:

The Company derives revenues primarily from construction & development of buildings and infrastructure. Revenue is recognized upon transfer of control of land or units of the building constructed by the company, to the customers in an amount that reflects the consideration we expect to receive in exchange for.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. In case where there is no uncertainty as to measurement or collectability of consideration, revenue is recognised as soon as the control of the land or units of the building has been given. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

The Company presents revenues net of indirect taxes in its statement of Profit and loss.

b) Other income:

Other income is comprised primarily of interest income, income from sale of property, plant & equipments.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Income from sale of property, plant & equipments is recognised as when it arises i. e. on sale of property, plant & equipment.

iii) Property, Plant & Equipment:

a) Property, Plant & Equipment

All Property, Plant and Equipments are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to getting the asset ready for intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

b) Capital Work-in-progress

Properties in the course of construction (CWIP) for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

iv) Depreciation on Property, Plant & Equipment:

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible property, plant and equipment is provided over the useful lives specified under Schedule II to the Companies Act, 2013.

| Nature of Assets | Useful life (in Years) |
|----------------------|---------------------------|
| Office Equipments | 5 |
| Furniture & Fixtures | 10 |
| Computers | 3 |
| Vehicles | 8 |

v) Intangible Assets and Amortization:

Intangible assets purchased are measured at cost or fair value as on the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets are amortised on a straight line basis over their estimated useful lives, commencing from the date the asset is available to the Company for its intended use.

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurred.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any

vi) Impairment of Property, Plant & Equipment and intangible assets :

At the end of each reporting period, the Company reviews the carrying amounts of its Property, Plant & Equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Carrying amount equals to cost less accumulated depreciation and accumulated impairment losses recognised previously.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

vii) Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

viii) Inventories:

Inventories includes land acquired for resale or construction purposes. The same is valued at cost or net realisable value whichever is less.

ix) Leases:

In respect of assets taken on lease, leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases.

Operating lease payments for lands are recognized as prepayments and amortised on a straight-line basis over the term of the lease. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

x) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Notes to financial statement for the year ended March 31, 2023

1. Financial Assets*a) Initial recognition and measurement*

At initial recognition, the Company measures a financial asset (which are not measured at fair value) through profit or loss at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- i) Financial assets measured at amortised cost;
- ii) Financial assets at fair value through profit or loss (FVTPL) and
- iii) Financial assets at fair value through other comprehensive income (FVTOCI).

The Company classifies its financial assets in the above mentioned categories based on:

- a) The Company's business model for managing the financial assets, and
- b) The contractual cash flows characteristics of the financial asset.

i) Financial assets measured at amortised cost :

A financial asset is measured at amortised cost if both of the following conditions are met:

- a) A financial asset is measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the Contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- b) Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

ii) Financial assets at fair value through profit or loss (FVTPL):

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

iii) Financial assets at fair value through other comprehensive income (FCTOCI):

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by collecting both contractual cash flows that gives rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or fair value through other comprehensive income. In addition, The Company may elect to designate a financial asset, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch')

Cash and Cash Equivalents & other current financial assets etc. are classified for measurement at amortised cost.

Notes to financial statement for the year ended March 31, 2023*c) Derecognition*

The Company derecognizes a financial asset when contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the assets's carrying amount and the sum of the consideration received and receivable is recognized in the Statement of Profit and Loss.

d) Impairment

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables,
- ii. Financial assets measured at amortized cost (other than trade receivables and lease receivables),
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI).

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance. As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

Notes to financial statement for the year ended March 31, 2023**2. Financial Liabilities***a) Initial recognition and measurement*

All financial liabilities are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- i) Financial liabilities measured at amortised cost.
- ii) Financial liabilities at fair value through profit or loss.

i) Financial liabilities measured at amortised cost :

All financial liabilities are measured at amortised cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

ii) Financial assets at fair value through profit or loss (FVTPL):

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

c) Derecognition

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

4. Offsetting of financial instruments

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

Notes to financial statement for the year ended March 31, 2023

5. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

xi) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

xii) Foreign currency Transactions

The functional currency of the company is Indian rupee.

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss

xiii) Employee benefits*a) Short term employee benefits*

Short Term benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

b) Post employment benefits

As the company doesn't meet the employees' threshold currently, the company is not required to contribute towards any plan (neither defined contribution plan nor defined benefit plan) under any law for the time being in force. The company shall start contributing as and when it is required by the law.

xiv) Income Taxes:

Income tax expense represents the sum of the tax currently payable and deferred tax.

a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

c) Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

xv) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

xvi) Earnings per equity share:

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company after adjusting for diluted earning, by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

xvii) Dividend:

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

xviii) Cenvat, Service Tax, Vat & GST:

GST credit on materials purchased / service availed for construction & development of the building are taken into account at the time of purchase and GST credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired.

GST credits so taken are utilized for payment of GST on units sold. The unutilized GST credit is carried forward in the books.

(xix) Segment reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting to the CODM.

Accordingly, the Board of Directors of the Company is CODM for the purpose of segment reporting. Refer note 29 for segment information presented.

(xx) Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(xxi) Operating cycle:

The Operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS 1- 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

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Note 5 : Property, Plant and Equipment

| Particulars | Computers | Office Equipments | Furniture & Fixtures | Vehicles | Total |
|-----------------------------------|-------------------|-------------------|-------------------------|----------|-------|
| Gross Carrying Value: | | | | | |
| As at April 1, 2021 | 468 | 235 | 160 | 28278 | 29141 |
| Addition during the year | 0 | 0 | 0 | | 0 |
| Deduction during the year | 0 | 0 | 0 | -200 | -200 |
| As at March 31, 2022 | 468 | 235 | 160 | 28078 | 28940 |
| Addition during the year | 0 | 0 | 0 | | 0 |
| Deduction during the year | 0 | 0 | 0 | -3359 | -3359 |
| As at March 31, 2023 | 468 | 235 | 160 | 31236 | 25581 |
| Accumulated Depreciation: | | | | | |
| As at April 1, 2021 | 46 | 5 | 104 | 9779 | 9934 |
| Addition during the year | 12 | | 19 | 3447 | 3479 |
| Deduction during the year | 0 | 0 | 0 | 0 | 0 |
| As at March 31, 2022 | 58 | 5 | 123 | 13226 | 13412 |
| Addition during the year | 12 | 0 | 19 | 2584 | 2616 |
| Deduction during the year | 0 | 0 | 0 | 0 | 0 |
| As at March 31, 2023 | 71 | 5 | 142 | 15810 | 16028 |
| Net Carrying Value: | | | | | |
| As on April 1, 2021 | 421 | 230 | 56 | 18500 | 19207 |
| As on March 31, 2022 | 409 | 230 | 37 | 14852 | 15528 |
| As on March 31, 2023 | 397 | 230 | 18 | 15426 | 9553 |
| Note 6 : Intangible Assets | | | | | |
| Particulars | Computer Software | Total | | | |
| Gross Carrying Value: | | | | | |
| As on April 1, 2021 | 38 | 38 | | | |
| Addition during the year | 0 | 0 | | | |
| Deduction during the year | 0 | 0 | | | |
| As on March 31, 2022 | 38 | 38 | | | |
| Addition during the year | 0 | 0 | | | |
| Deduction during the year | 0 | 0 | | | |
| As on March 31, 2023 | 38 | 38 | | | |
| Accumulated Depreciation: | | | | | |
| As on April 1, 2021 | 7 | 7 | | | |
| Addition during the year | 6 | 6 | | | |
| Deduction during the year | 0 | 0 | | | |
| As on March 31, 2022 | 13 | 13 | | | |
| Addition during the year | 6 | 6 | | | |
| Deduction during the year | 0 | 0 | | | |
| As on March 31, 2023 | 19 | 19 | | | |
| Net Carrying Value: | | | | | |
| As on April 1, 2021 | 31 | 31 | | 0 | |
| As on March 31, 2022 | 25 | 25 | | | |
| As on March 31, 2023 | 19 | 19 | | | |
| | | | Total fixed assets Net | | 9572 |
| | | | (tangible + intangible) | | |

POPULAR ESTATE MANAGEMENT LIMITED

| Notes to financial statement for the year ended March 31, 2023 | | | |
|---|---|--|--|
| | | "000 | |
| 7 | <u>Non-Current Investments</u> | As at March 31, 2023 | As at March 31, 2022 |
| | Investment in Partnership Firms (refer note: 37) | | |
| | M/s. Jay Ambe Enterprise | 3702 | 3702 |
| | M/s. Shiv Enterprise | 4585 | 4585 |
| | (Refer Note: 37 to these financial statements for the description of these investments). | | |
| | Total | 8287 | 8287 |
| 8 | <u>Other Non-Current Financial Assets</u> | As at March 31, 2023 | As at March 31, 2022 |
| | Unsecured and considered good | | |
| | Security Deposits with corporates and others | 1574 | 1574 |
| | Total | 1574 | 1574 |
| 9 | <u>Deferred Tax Assets (Net)</u> | As at March 31, 2023 | As at March 31, 2022 |
| | Deferred Tax Assets | | |
| | Time difference of depreciation as per Tax Provision and Company Law on Property, Plant and Equipment | | 0 |
| | Carried Forward Business Losses & Unabsorbed Depreciation | 4847 | 4847 |
| | Total Deferred Tax Assets | 4847 | 4847 |
| | Deferred Tax Liabilities | | 0 |
| | Net Deferred Tax Assets | 4847 | 4847 |
| | Note: Movement of deferred tax assets: | | |
| | Particulars | Time difference of depreciation | Carried Forward Business Losses & Unabsorbed Depreciation |
| | At March 31, 2021 | 34 | 6911 |
| | Charged / (Credited): | | |
| | to profit or loss | -34 | -2064 |
| | to other comprehensive income | 0 | 0 |
| | At March 31, 2022 | 0 | 4847 |
| | Charged / (Credited): | | |
| | to profit or loss | | |
| | to other comprehensive income | | |
| | At March 31, 2023 | | |

POPULAR ESTATE MANAGEMENT LIMITED

| Notes to financial statement for the year ended March 31, 2023 | | | |
|--|---|-------------------------|-------------------------|
| | | | "000 |
| | | As at March 31, 2023 | As at March 31, 2022 |
| 10 | <u>Inventories</u> | | |
| | Raw materials | | |
| | Work-in-Process | | |
| | Finished Stock | 50130 | 50130 |
| | Stores & Others | | |
| | Stock in Trade | | |
| | Total | 50130 | 50130 |
| 11 | <u>Cash & Cash Equivalents</u> | | |
| | Cash on hand | 33 | 33 |
| | Balances with Bank | 121 | 0 |
| | Total | 154 | 33 |
| 12 | <u>Other Current Financial Assets</u> | | |
| | Othe Current Financial Assets | 61 | 61 |
| | Total | 61 | 61 |
| 13 | <u>Other Current Assets</u> | | |
| | Prepaid Expenses | 203 | 129 |
| | Advances given for acquisition of land | 427680 | 427680 |
| | Balances with Statutory Authorities | 11654 | 11654 |
| | Total | 439537 | 439463 |
| 14 | <u>Equity Share Capital</u> | | |
| | [i] Authorised Share Capital: 4,50,00,000 Equity shares of Rs. 10 each (as at March 31, 2023 : 4,50,00,000 equity shares of Rs. 10 each) | 450000 | 450000 |
| | [ii] Issued, Subscribed & Paid-up Capital : 1,40,00,200 equity shares of Rs. 10 each fully paid (as at March 31, 2023 : 1,40,00,200 equity shares of Rs. 10 each) | 140002 | 140002 |
| | Total | 140002 | 140002 |

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

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(a) Reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2023, and March 31, 2022 are set out below:-

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|-------------------------|----------------------|-------------|----------------------|-------------|
| | No. of Shares | Amt (Rs.) | No. of Shares | Amt (Rs.) |
| Shares at the beginning | 14,000,200 | 140,002,000 | 14,000,200 | 140,002,000 |
| Addition | Nil | Nil | - | Nil |
| Deletion | Nil | Nil | - | Nil |
| Shares at the end | 14,000,200 | 140,002,000 | 14,000,200 | 140,002,000 |

(b) The details of shares held by Parent Company and shareholders holding more than 5% shares is set out below.

| Particulars | | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------|------|-------------------------|-------------------------|
| Ramanbhai Bholdas Patel | Nos. | 1,200,700 | 1,200,700 |
| | % | 8.58 | 8.58 |
| Kokilaben Chhaganbhai Patel | Nos. | 1,205,700 | 1,205,700 |
| | % | 8.61 | 8.61 |
| Mayurikaben Ramanbhai Patel | Nos. | 1,006,500 | 1,006,500 |
| | % | 7.19 | 7.19 |
| Lataben Dashrathbhai Patel | Nos. | 897,900 | 897,900 |
| | % | 6.41 | 6.41 |
| Dashrathbhai Bholdas Patel | Nos. | 867,893 | 867,893 |
| | % | 6.20 | 6.20 |
| Chhaganbhai Bholdas Patel | Nos. | 970,900 | 970,900 |
| | % | 6.93 | 6.93 |
| Prathmesh Chhaganlal Patel | Nos. | 746,900 | 746,900 |
| | % | 5.33 | 5.33 |
| Maunang Ramanbhai Patel | Nos. | 878,800 | 878,800 |
| | % | 6.28 | 6.28 |

(c) Rights, Preferences and Restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

(d) The Company has not reserved any share for issue under options and contracts or commitments for the sale of shares or disinvestment.

(e) There are no shares issued pursuant to contract(s) without payment being received in cash or by way of bonus shares or equity shares bought back for the period of 5 years immediately preceding the balance sheet date.

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

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| 15 | Other Equity | As at March 31, 2023 | As at March 31, 2022 | |
|---|--|-------------------------------|-------------------------|---|
| (a) | General Reserve | | | |
| | Balance as per last financial Statement | 715 | 715 | |
| | Add : Premium received on issue of shares | | 0 | |
| | Closing Balance | 715 | 715 | |
| (b) | Retained Earnings | | | |
| | Profit and Loss: | | | |
| | Balance as per last financial Statement | 302876 | 312722 | |
| | Less: Loss for the year | -8975 | -9846 | |
| | Net Surplus in the statement of profit and loss | 293902 | 302876 | |
| | Total (a + b) | 294617 | 303591 | |
| General Reserve: It represents general purpose reserve created from accumulated profits of earlier years. | | | | |
| Retained earnings: Retained earnings are the profits earned by the company over the period. Retained earnings can be utilised by the company for distribution to its equity shareholders of the company. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety. | | | | |
| 16 | Non-Current Borrowings | As at March 31, 2023 | As at March 31, 2022 | |
| | Secured Borrowing | | | |
| | Vehicle Loan from Bank | 0 | 4432 | |
| | Less : Current maturities of long-term debt | 0 | 0 | |
| | | | 4432 | |
| | Unsecured Borrowing | | | |
| | From Directors of the company | 75999 | 69200 | |
| | Less : Current maturities of long-term debt | 0 | 0 | |
| | | 75999 | 69200 | |
| | Total | 75999 | 73632 | |
| Secured | | | | |
| Company has obtained 2 different vehicle loans which are secured against the respective vehicles. Details of loan obtained along with Interest Rates and Repayment terms are specified here-in-after: | | | | |
| Type of Loan | Installment Amount | No. of Installments (Monthly) | Interest Rate | O/s. Balance as on As at March 31, 2023 Rs. |
| Vehicle Loan - I | 0 | 0 | 0 | 0 |
| Vehicle Loan - II | 0 | 0 | 0 | 0 |
| Total | | | | 0 |

POPULAR ESTATE MANAGEMENT LIMITED

| Notes to financial statement for the year ended March 31, 2023 | | | |
|--|---|-------------------------|-------------------------|
| | | | "000 |
| 17 | Trade payables | As at March 31, 2023 | As at March 31, 2022 |
| | Payable to Micro and Small Enterprise (refer note below) | 2963 | 1927 |
| | Payable to others | 582 | 782 |
| | Total | 3545 | 2709 |
| <p>Note: This information has been disclosed to the extent received from such parties and / or identified on the basis of information available with the Company. This has been relied upon by the Auditors.</p> | | | |
| 18 | Other Current Financial Liabilites | As at March 31, 2023 | As at March 31, 2022 |
| | Current Maturity of long term borrowings | 0 | 0 |
| | Credit Balance in Current Account | 0 | 13 |
| | Employee Benefits Payable | 0 | 0 |
| | Total | 0 | 13 |
| 19 | Other Current Liabilities | As at March 31, 2023 | As at March 31, 2022 |
| | Other Statutory dues | 0 | 0 |
| | Total | 0 | 0 |
| 20 | Other Income | As at March 31, 2023 | As at March 31, 2022 |
| | Misc. Income | 0 | 104 |
| | Interest Income on Income Tax Refund | 0 | 0 |
| | Gain on sale of property, plant & equipments | 0 | 400 |
| | Total | 0 | 504 |
| 21 | Change In Inventories Of Finished Goods, Work In Progress And Stock In Trade | As at March 31, 2023 | As at March 31, 2022 |
| | Inventory at the beginning of the year | | |
| | Land acquired for resale / development | 0 | 50130 |
| | | | 50130 |
| | Inventory at the end of the year | | |
| | Land acquired for resale / development | 0 | 50130 |
| | | 50130 | |
| Decretion / (Accretion) to Stock | | 0 | |
| 22 | Employee Benefit Expense | As at March 31, 2023 | As at March 31, 2022 |
| | Salary, Wages & Bonus Expenses | 1166 | 1183 |
| | Directors' Remuneration | - | 0 |
| | Total | 1166 | 1183 |

POPULAR ESTATE MANAGEMENT LIMITED

| Notes to financial statement for the year ended March 31, 2023 | | | |
|--|---|------------------------------|-------------------------|
| | | | "000 |
| 23 | <u>Finance Costs</u> | As at March 31, 2023 | As at March 31, 2022 |
| | Interest Paid to Bank | 192 | 821 |
| | Interest Paid to Others | 16 | 21 |
| | Other borrowing cost | | 49 |
| | Total | 208 | 892 |
| 24 | <u>Depreciation And Amortisation Expense</u> | As at March 31, 2023 | As at March 31, 2022 |
| | Depreciation on Property, Plant & Equipment | 2616 | 3479 |
| | Amortisation of Intangible Assets | 6 | 6 |
| | Total | 2622 | 3485 |
| | 25 | <u>Other Expenses</u> | As at March 31, 2023 |
| Audit and Professional Fees | | 221 | 84 |
| Electricity Charges | | 168 | 124 |
| Office Expenses | | 22 | 0 |
| Stationery, Printing and Postage Exp | | 62 | 74 |
| Conveyance & Vehicle Exp. | | 188 | 294 |
| Rent, Rates and Taxes | | 1325 | 1395 |
| Loss of Car Sale | | 1759 | 0 |
| Late Filing Fees under Income Tax | | 8 | 1 |
| Penalty under LODR regulations | | 406 | 0 |
| Listing and ROC Filing Fees | | 429 | 673 |
| Legal Expense | | 363 | 9 |
| Telephone Expense | | 7 | 27 |
| Advertisement Expenses | | 21 | 11 |
| Total | | 4978 | 2693 |
| 26 | <u>Income tax recognised in profit or loss</u> | As at March 31, 2023 | As at March 31, 2022 |
| | Current tax: | | |
| | In respect of the current year | | |
| | In respect of the prior year | | 0 |
| | Sub-Total (i) | | 0 |
| | Deferred tax: | | |
| | In respect of the current year | | 2098 |
| | Sub-Total (ii) | | 2098 |
| Total (I + ii) | | 2098 | |

POPULAR ESTATE MANAGEMENT LIMITED

| Notes to financial statement for the year ended March 31, 2023 | | |
|--|---------------------------------|---------------------------------|
| | | "000 |
| Note: Income tax reconciliation: | | |
| Particulars | As at March 31, 2023 | As at March 31, 2022 |
| Profit before tax | 0 | -7748 |
| Tax expenses reported during the year | 0 | -2098 |
| Income tax expenses calculated as per Income tax rates (assumed) | 0 | -2098 |
| Difference | 0 | 0 |
| Permanent disallowances | 0 | - |
| Adjustment of current tax of prior years | 0 | - |
| Other Items | 0 | - |
| Total | 0 | 0 |

POPULAR ESTATE MANAGEMENT LIMITED

| Notes to financial statement for the year ended March 31, 2023 | | |
|--|-----------------------|-----------------------|
| 27. Capital Commitment | | |
| There are no o/s. amount of contracts | | |
| 28. Contingent Liabilities | | |
| | As at | As at |
| Particulars | March 31, 2023 | March 31, 2022 |
| Outstanding tax matters: | | |
| Under the provisions of Income Tax Act, 1961 and related rules. | 220,364,924 | 220,364,924 |
| Under the provisions of Wealth Tax Act and related rules. | 1,304,242 | 1,304,242 |
| Total | 221,669,166 | 221,669,166 |
| <p>The above claims are subject to legal proceeding at various appellate authorities. The Company are contesting the above demands and the management including its tax advisors believes that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.</p> | | |
| 29. Segment Reporting | | |
| <p>The Company's operations pre-dominantly relates to construction & development of buildings and infrastructure. The Company has considered the same as only one reporting segment in accordance with the requirement of Ind AS 108 - Operating Segments.</p> <p>The Board of Directors ("BOD") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators of this single operating segment. The BOD reviews revenue and gross profit as the performance indicator for this single operating segment. Accordingly, it constitutes as a single reportable operating segment.</p> <p>Entity Wide Disclosures:</p> <p>1. There assets belonging to the Company located outside India. All assets of the company are located within India only.</p> <p>2. Since there is no operation during both the years covered by these financial statements, following entity wide disclosures as required by Ind AS 109 "Operating Segments" are not applicable to the company:</p> <p>(i) Bifurcation of revenue from external customers by each group of products, (ii) Bifurcation of net sales to external customers by geographic area on the basis of location of customers, (iii) Details of customer contributing 10% or more of total revenue of the company.</p> | | |
| 30. Earnings Per Share (EPS) | | |
| | Year Ended | Year Ended |
| Particulars | March 31, 2023 | March 31, 2022 |
| Net Profit / (Loss) for calculation of basic / diluted EPS | (8,974,624) | (9,845,793) |
| Weighted Average Number of Equity Shares in calculating Basic and Diluted EPS | 14,000,200 | 14,000,200 |
| Basic and Diluted Earnings/(Loss) Per Share | (0.64) | (0.70) |
| Nominal Value of Equity Shares | 10 | 10 |

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

| Fair Value Measurements | | | | | | | | |
|---|-----------------|--------|-------------------|-------------------|--|---------|---------|-------|
| Financial instrument by category and their fair value | | | | | | | | |
| As at 31st March, 2023 | Carrying Amount | | | | Fair Value (only those items which are recognised at FVTPL / FVTOCI) | | | |
| | FVTPL | FVTOCI | Amortised | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | | | | | |
| Non Current Investments | - | - | 8,287,100 | 8,287,100 | - | - | - | - |
| Other Non Current Financial Assets | - | - | 1,574,346 | 1,574,346 | - | - | - | - |
| Trade Receivables | - | - | - | - | - | - | - | - |
| Cash and Cash Equivalents | - | - | 153,782 | 153,782 | - | - | - | - |
| Other Current Financial Assets | - | - | 60,894 | 60,894 | - | - | - | - |
| Total Financial Assets | - | - | 10,076,122 | 10,076,122 | - | - | - | - |
| Financial Liabilities | | | | | | | | |
| Non-current Borrowings | - | - | 75,998,805 | 75,998,805 | - | - | - | - |
| Trade Payables | - | - | 3,544,600 | 3,544,600 | - | - | - | - |
| Other Current Financial Liabilities | - | - | - | - | - | - | - | - |
| Total Financial Liabilities | - | - | 79,543,405 | 79,543,405 | - | - | - | - |

| 31 Fair Value Measurements | | | | | | | | |
|---|-----------------|--------|-------------------|-------------------|--|---------|---------|-------|
| Financial instrument by category and their fair value | | | | | | | | |
| As at 31st March, 2022 | Carrying Amount | | | | Fair Value (only those items which are recognised at FVTPL / FVTOCI) | | | |
| | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | | | | | |
| Non Current Investments | - | - | 8,287,100 | 8,287,100 | - | - | - | - |
| Other Non Current Financial Assets | - | - | 1,574,346 | 1,574,346 | - | - | - | - |
| Trade Receivables | - | - | - | - | - | - | - | - |
| Cash and Cash Equivalents | - | - | 32,912 | 32,912 | - | - | - | - |
| Other Current Financial Assets | - | - | 60,894 | 60,894 | - | - | - | - |
| Total Financial Assets | - | - | 9,955,252 | 9,955,252 | - | - | - | - |
| Financial Liabilities | | | | | | | | |
| Non-current Borrowings | - | - | 73,631,929 | 73,631,929 | - | - | - | - |
| Trade Payables | - | - | 2,709,297 | 2,709,297 | - | - | - | - |
| Other Current Financial Liabilities | - | - | 13,166 | 13,166 | - | - | - | - |
| Total Financial Liabilities | - | - | 76,354,392 | 76,354,392 | - | - | - | - |

The above fair value hierarchy explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost for which fair values are disclosed in the financial statements. Refer note-4(x)(5) to these financial statements for the details of inputs used by the management of the company in determining fair value.

Valuation process:

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The fair valuation of level 1 and level 2 classified assets and liabilities are readily available from the quoted prices in the open market and rates available in secondary market respectively.

The carrying amount of trade payables, cash and bank balances, employee benefit dues are considered to be the same as their fair value due to their short-term nature.

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

32 Financial risk management

The Company's activities expose it to a variety of financial risks, including credit risk, market risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same.

The Company's risk management is governed by policies approved by the board of directors. The Company identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Company has policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments.

The board of directors oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The board of directors is assisted in its oversight role by internal audit (mainly handled inhouse by the team of finance department). Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the board of directors.

I Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits, and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The history of trade receivables shows a negligible provision for bad and doubtful debts. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables. The company is required to assess credit risk on following assets:

i) Trade Receivables:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The Company with various activities as mentioned above manages credit risk.

There is no operation during the periods covered by these financial statements and hence the company is not exposed to the credit risk during the periods covered by these financial statements. Accordingly there is no outstanding trade receivables as at each balance sheet date and no need to provide for allowance in respect of doubtful debts.

ii) Financial assets that are neither past due nor impaired

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's assessment of credit risk about particular financial institution. None of the Company's cash equivalents, including other current financial assets, were past due or impaired as at each balance sheet date.

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

II Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The level of liquidity risk is very low considering the fact that the company relies on operating cash flows and owned equity. Currently the company has borrowed funds from bank mainly for the specific vehicles considering business needs. There are no short term loans the company has borrowed.

Further the Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring the forecasted & actual cash flows and, matching the maturity profiles of financial assets & financial liabilities. Long-term borrowings generally mature between One to Ten years. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The promoters of the Company believe in equity funding rather than relying on borrowed funds. The company can borrow funds from their promoters as and when required. The tables below analyze the company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

| Contractual maturities of financial liabilities as at March 31, 2023 | Carrying Amount | Contractual Cash Flows | | | | |
|--|-------------------|----------------------------|----------------------------|-----------------------------|-------------------|-------------------|
| | | On demand or within 1 year | Over 1 year within 2 years | Over 3 years within 5 years | Over 5 years | Total |
| Non-current Borrowings | 75,998,805 | - | - | 11,200,000 | 64,798,805 | 75,998,805 |
| Trade Payables | 3,544,600 | 3,544,600 | - | - | - | 3,544,600 |
| Other Current Financial Liabilities | - | - | - | - | - | Nil |
| Total | 79,543,405 | 3,544,600 | Nil | 11,200,000 | 64,798,805 | 79,543,405 |

| Contractual maturities of financial liabilities as at March 31, 2022 | Carrying Amount | Contractual Cash Flows | | | | |
|--|-------------------|----------------------------|----------------------------|-----------------------------|-------------------|-------------------|
| | | On demand or within 1 year | Over 1 year within 2 years | Over 3 years within 5 years | Over 5 years | Total |
| Non-current Borrowings | 73,631,929 | - | 4,432,299 | 11,200,000 | 57,999,630 | 73,631,929 |
| Trade Payables | 2,709,297 | 2,709,297 | - | - | - | 2,709,297 |
| Other Current Financial Liabilities | 13,166 | 13,166 | - | - | - | 13,166 |
| Total | 76,354,392 | 2,722,463 | 4,432,299 | 11,200,000 | 57,999,630 | 76,354,392 |

III Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to any market risk during the years covered by these financial statements. Components of market risk are specified below:

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

a) Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The company donot have any currency risk during both the years as the company didnot enter into any transaction which is incurred in foreign currency. All transactions are in Indian Rupees only.

b) Interest Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to the risk of changes in market interest rates as the company doesnot have any borrowing with floating interest rates. Long-term borrowings is having fixed rate of interes which doesnot fluctuate with the changes in the market rates.

Bifurecation of the exposure of the company's borrowing to interest rate changes at the end of the reporting period are stated as below:

Exposure to interest rate risk

| <u>Particulars</u> | As at March 31,2023 | As at March 31,2022 | As at March 31,2021 |
|--------------------------|--------------------------------|--------------------------------|--------------------------------|
| Fixed Rate Borrowings | 75,998,805 | 73,631,929 | 64,211,831 |
| Variable Rate Borrowings | - | - | - |
| Total | 75,998,805 | 73,631,929 | 64,211,831 |

For details of the Company's Non-current borrowings, including interest rate profiles, refer to Note 16 of these financial statements. As the company doesnot have any variable rate borrowing, profit or loss is not sensitive to the higher/lower interest expense from borrowings as a result of changes in interest rates.

c) Price Risk

The Company's operations pre-dominantly relates to construction & development of buildings and infrastructure. Exposure to market risk with respect to commodity prices primarily arises from the Company's purchase of land, purchase of construction materials, contract rates for hiring labour as well as sale prices of units of the housing / commerical building constructed & developed by the company. These rates generally donot fluctuate significantly over short periods of time but may fluctuate in long period. Price risk exposure is evaluated and managed through operating procedures and sourcing policies.

Since there is no operation in both the years covered by these financial statements, the company is not exposed to any price risk during the years covered by these financial statements.

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

33 Due to Micro, Small and Medium Enterprise
Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from 02.10.2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below:

| <u>Particulars</u> | As at March 31,2023 | As at March 31,2022 | As at March 31,2021 |
|--|--------------------------------|--------------------------------|--------------------------------|
| Principal amount remaining unpaid to any supplier as at the year end | - | - | 78,400 |
| Interest due thereon | - | - | - |
| Amount of interest paid by the Company in terms of section 16 | - | - | - |
| Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED | - | - | - |
| Amount of interest accrued and remaining unpaid at the end of accounting year | - | - | - |
| Total | Nil | Nil | 78,400 |

34 Capital Management:
The Company's capital management is intended to maximise the return to shareholders and benefits for other stakeholders for meeting the long-term and short-term goals of the Company; and reduce the cost of capital through the optimization of the capital structure i.e. the debt and equity balance.

The Company monitors the capital structure on the basis of Net debt to Equity ratio and maturity profile of the overall debt portfolio of the Company.

The net debt to equity ratio at the end of the reporting period was as follows:

| <u>Particulars</u> | As at March 31,2023 | As at March 31,2022 | As at March 31,2021 |
|---------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Debt | 75,998,805 | 73,631,929 | 70,296,033 |
| Cash and bank balances | 153782 | 32,912 | 35,869 |
| Net debt | 75,845,023 | 73,599,018 | 70,260,164 |
| Equity | 434618818 | 443,593,442 | 453,442,185 |
| Net debt to equity ratio | 17.45% | 16.59% | 15.49% |

35 Details of Payment to Auditors

| <u>Particulars</u> | As at March 31,2023 | As at March 31,2022 | As at March 31,2021 |
|-----------------------------|--------------------------------|--------------------------------|--------------------------------|
| Payment to auditors: | | | |
| Audit fee | 60,000 | 60,000 | 59,000 |
| Taxation matters | 15,000 | 15,000 | 35,400 |
| Total | 75,000 | 75,000 | 94,400 |

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

36. Related Parties Disclosures

(i) List of related parties:

| Name of related party | Nature of relationship |
|------------------------------|---|
| Vikram C. Patel | Key Managerial person (Director, Chief Financial officer and Manager) |
| Saritaben N. Patel | Key Managerial person (Director) |
| Rameshbhai R. Patel | Key Managerial person (Director) |
| Suresh N. Patel | Key Managerial person (Director) |
| Het D. Patel | Key Managerial person (Director) (w.e.f. 29.07.2021) |
| Mehul Patel | Key Managerial person (Director) (w.e.f. 29.06.2021) |
| Jai-Ambe Enterprise | Associate Entities over which company has significant influence |
| Shiv Enterprise | Associate Entities over which company has significant influence |

(ii) Transactions with related parties during the year:

| Name of related party | Nature of Transaction | Year ended March 31, 2023 | Year ended March 31, 2022 |
|------------------------------|------------------------------|--------------------------------------|--------------------------------------|
| Ramanbhai B. Patel | Director remuneration | Nil | Nil |
| | Loan Taken | Nil | 70,000 |
| | Loan Repaid | Nil | - |
| | Interest Paid | Nil | Nil |
| | TDS on Interest | Nil | Nil |
| Dashratbhai B. Patel | Director remuneration | Nil | Nil |
| | Loan Taken | 627,200 | 500,000 |
| | Loan Repaid | Nil | - |
| | Interest Paid | Nil | Nil |
| | TDS on Interest | Nil | Nil |
| Saritaben N. Patel | Loan Taken | 5,179,477 | 8,133,840 |
| | Loan Repaid | 150,000 | - |
| Vikram C Patel | Loan Taken | 1,148,298 | - |
| | Loan Repaid | 5,800 | 863,313 |

(iii) Balances outstanding with related parties at each reporting date:

| Name of party | Nature of Amount | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--|-------------------------------|--------------------------------------|--------------------------------------|
| Ramanbhai B. Patel | Unsecured Loan | 31,953,227 | 31,953,227 |
| | Remuneration Payable | Nil | Nil |
| Dashratbhai B. Patel | Unsecured Loan | 28,673,682 | 28,046,482 |
| | Remuneration Payable | Nil | Nil |
| Saritaben N. Patel | Unsecured Loan | 13,366,085 | 8,336,610 |
| Vikram C Patel | Unsecured Loan | 2,005,811 | 863,313 |
| M/s. Jai-Ambe Enterprise (Refer note 37) | Investment in Capital of firm | 3,701,902 | 3,701,902 |
| M/s. Shiv Enterprise (Refer note 37) | Investment in Capital of firm | 4,585,198 | 4,585,198 |

37. Investments in associated entities over which the company has significant influence:

The company has made investments in capital of two associated partnership firms (i.e. M/s. Jai-Ambe Enterprise and M/s. Shiv Enterprise) over which company has significant influence. These investments are covered by the provisions of section 186 of the Companies Act, 2013.

The company doesn't prepare consolidated financial statements by applying equity method of accounting under Indian Accounting Standard (Ind-AS) 28 "Investments in Associates and Joint Ventures" as there is no operation in the said partnership firms during the year covered by these financial statements, and no profit / loss is attributable to the company.

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

38. Subsequent Events:

Subsequent to Balance Sheet Date, there are no events occurred which require disclosure or adjustments in the financial statements.

39. Expenditure of Corporate Social Responsibility: Provisions of Section 135 of the Companies Act, 2013 are not applicable to the company and hence the company has neither provided for nor plan to provide for expenditure of Corporate Social Responsibility.

40. Previous Periods' / Years' figures have been re-grouped / Re-Classified where necessary to make it comparable with the current period.

41. Ratios as per Schedule III Requirements

a) Current Ratio = Current Assets divided by

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|-------------------------------|------------------|------------------|
| Current Assets | 489,881,495 | 489,686,173 |
| Current Liabilities | 3,544,600 | 2,722,463 |
| Current Ratio | 138.21 | 179.87 |
| % change from previous period | -23.16% | 201.56% |

Reason for change more than 25%:

Proportion of decrease in Current Assets is very less as compared to proportion of decrease in

b) Debt - Equity ratio (Total Debt divided by Total Equity)

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|-------------------------------|------------------|------------------|
| Debt | 75,998,805 | 73,631,929 |
| Equity (total) | 434,618,818 | 443,593,442 |
| Current Ratio | 0.17 | 0.17 |
| % change from previous period | 5.35% | 17.22% |

Reason for change more than 25%:

--

c) Debt Service Coverage Ratio

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|--|------------------|------------------|
| Net Profit Plus Depreciation | (6,144,316) | (5,469,190) |
| Interest (Finance costs) and Instalments | 208,314 | 5,324,118 |
| Ratio | -29.50 | -1.03 |
| % change from previous period | 2771.31% | 68.88% |

Reason for change more than 25%:

There is decrease in Finance cost plus Instalments

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

| d) Return on Equity Ratio (ROE) = Net profit | | |
|---|------------------|------------------|
| Particulars | As at 31/03/2023 | As at 31/03/2022 |
| Profit for the year | (8,974,624) | (9,845,793) |
| Average Shareholder's Equity | 434,618,818 | 443,593,442 |
| Return on Equity Ratio (ROE) | -0.02 | -0.02 |
| % change from previous period | -6.97% | 31.00% |
| Reason for change more than 25%: | | |
| Mainly due to Increase in net loss. | | |
| e) Inventory Turnover Ratio = Cost of goods | | |
| Particulars | As at 31/03/2023 | As at 31/03/2022 |
| Cost of goods sold | - | - |
| Average Inventory | 50,129,806 | 50,129,806 |
| Inventory Turnover Ratio | 0.00 | 0.00 |
| % change from previous period | 0.00% | 0.00% |
| Reason for change more than 25%: | | |
| -- | | |
| f) Trade Receivables turnover ratio = Total Sales divided by Closing trade receivables | | |
| Particulars | As at 31/03/2023 | As at 31/03/2022 |
| Total Sales | - | - |
| Closing Trade Receivables | - | - |
| Trade Receivables turnover ratio | 0.00 | 0.00 |
| % change from previous period | 0.00% | 0.00% |
| Reason for change more than 25%: | | |
| -- | | |
| g) Trade payables turnover ratio = Total purchases divided by closing trade payable of goods | | |
| Particulars | As at 31/03/2023 | As at 31/03/2022 |
| Total purchases | -- | -- |
| Closing Trade payable of goods | - | - |
| Trade payables turnover ratio | - | - |
| % change from previous period | - | - |
| h) Net capital Turnover Ratio = Net Sales | | |
| Particulars | As at 31/03/2023 | As at 31/03/2022 |
| Net sales | - | - |
| Net working capital | 486,336,895 | 486,963,710 |
| Net capital Turnover Ratio | 0.00 | 0.00 |
| % change from previous period | 0.00% | 0.00% |
| Reason for change more than 25%: | | |
| -- | | |

POPULAR ESTATE MANAGEMENT LIMITED

Notes to financial statement for the year ended March 31, 2023

i) Net profit ratio = Net profit after tax divided by Net Sales

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|---|------------------|------------------|
| Profit for the year | (8,974,624) | (9,845,793) |
| Net sales | - | - |
| Net profit ratio | 0 | 0 |
| % change from previous period | 0.00% | 0.00% |
| Reason for change more than 25%: | | |
| -- | | |

j) Return on Capital employed (ROCE) =

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|---|------------------|------------------|
| EBIT | (6,144,316) | (3,371,495) |
| Capital employed | 434,618,818 | 443,593,442 |
| ROCE Ratio | -0.01 | -0.01 |
| % change from previous period | 86.01% | -23.85% |
| Reason for change more than 25%: | | |
| -- | | |

k) Return on investment = Income from

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|-----------------------------------|------------------|------------------|
| Financial investments | 0 | 0 |
| Income from investments | - | - |
| Time weighted average investments | 9,861,446 | 9,861,446 |
| % change from previous period | 0.00% | 0.00% |

Reason for change more than 25%:

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42. Other Statutory Information

- (i) The Company do not have any Benami property, where any proceeding has been initiated
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC
- (iv) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (v) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vi) The Company have not advanced or loaned or invested funds to any other person(s) or
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (viii) The Company have not any such transaction which is not recorded in the books of accounts

In terms of our report of even date.

For, H. S. Jani & Associates,
Chartered Accountants
(Firm Regd. No. 127515W)

For & on behalf of the board of
Popular Estate Management Limited

Sd/-

Het D. Patel
Director
(DIN: 06986909)

Sd/-

Sonali Panchal
Company Secretary
ACS
Mem No : 23824

Sd/-

Hersh S. Jani
Proprietor
(M. No. 124104)
Place : Ahmedabad
Date : 29/05/2023

Sd/-

Vikram C. Patel
Director, Chief Financial Officer & Manager
(DIN: 00166707)
Place : Ahmedabad
Date : 29/05/2023