

HAPPINESS HARMONY PROPERTY DEVELOPERS PRIVATE LIMITED

Regd Off: 1st Floor, Greenways Towers, No. 119, St.Marys Road, Abhiramapuram, Chennai – 600018

Website: www.tvsemerald.com E: corpsec@sundaramclayton.com; CIN: U70200TN2018PTC121367

Directors' Report to the Shareholders

The Directors have pleasure in presenting the fifth annual report together with the annual audited statement of accounts for the period ended 31st March 2023.

Financial Highlights

Details	Year ended	Year ended
	31.03.2023	31.03.2022
	(Rs. in Lakhs)	
Sales and other income	-	-
Less: Expenses	0.78	0.43
Loss before tax	(0.78)	(0.43)
Less: Tax Expense	0.20	-
Profit / Loss after tax	(0.58)	(0.43)

Preparation of financial statements under Indian Accounting Standards

Pursuant to the notification issued by the Ministry of Corporate Affairs dated 16th February, 2015 relating to the Companies (Indian Accounting Standard) Rules, 2015, Emerald Haven Realty Limited, an associate company of TVS Motor Company Limited (TVSM), the holding company, is adopting Indian Accounting Standards ("IND AS") from financial year 2016-17 onwards.

In terms of Rule 4(1)(ii) of the aforesaid rules, the holding, subsidiary, joint venture and associate companies are required to comply with IND AS from financial year 2016-17 onwards. Accordingly, the financial statements of the Company for the year 2022-23 have been prepared in compliance with the said rules, being subsidiary to Emerald Haven Realty Limited.

Dividend

The Directors had not proposed any dividend for the year under review due to inadequacy of profits.

Real Estate (Regulation and Development) Act, 2016

Tamil Nadu government has issued and notified rules under RERA which is broadly in line with the Central Government draft rules.

Internal control systems

The Company has adequate internal control systems to ensure operational efficiency, accuracy and promptness in financial report and compliance of various laws and regulations. The internal control system is supported by the internal audit

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(IA) process. The IA department evaluates the efficacy and adequacy of Internal control system, its compliance with operating systems and policies of the Company and accounting procedures at all locations of the Company.

The Company has well-documented Standard Operating Procedures (SOPs), policies and procedures for various processes which are periodically reviewed.

Risk Management

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified would be systematically addressed through mitigating actions on a continuous basis. These are being discussed at the meetings of the audit committee and the Board of directors of the Company.

As a process, the risks associated with the business are identified and prioritized based on Severity, Likelihood and Effectiveness of current detection. Such risks are reviewed by the senior management on a quarterly basis. Process owners are identified for each risk and matrix are developed for monitoring and reviewing the risk mitigation.

Directors' responsibility statement

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013 with respect to Director's Responsibility Statement, it is hereby stated that:

- (a) in the preparation of the annual accounts for the year ended 31st March 2023, 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 were 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 loss of the Company for that period;
- (c) the directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the accounts for the financial year ended 31st March 2023 on a going concern basis;
- (e) that the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

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- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Changes in directors

During the year, there is no change in the Board of Directors.

As on 31st March 2023, Mr Sriram Subramanian Iyer and Mr V Karunakara Reddy are the Directors of the Company.

Directors liable to retire by rotation

In terms of the Articles of Association of the Company and the applicable provisions of the Act 2013, Mr V Karunakara Reddy, non-executive and non-independent director is liable to retire at the ensuing AGM and, being eligible, offers himself for re-appointment.

Number of Board meetings held

During the period under review, the Board met 6 times on 22nd April 2022, 21st July 2022, 27th October 2022, 21st January 2023, 22nd February 2023 and 28th March 2023 and the gap between two meetings did not exceed one hundred and twenty days.

Statutory Auditors

In terms of Section 139 of the Act, 2013, read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014, M/s V. Sankar Aiyar & Co., Chartered Accountants, having Firm Registration No. 109208W allotted by The Institute of Chartered Accountants of India, have been appointed as statutory auditors of the Company for five years till the conclusion of the Sixth Annual General Meeting of the Company at such remuneration in addition to reimbursement of all applicable taxes, out-of-pocket, travelling and other expenses, etc., as may be decided between the Board of Directors of the Company.

The Statutory Auditors will continue to hold office for the fifth year in the first term of five consecutive years, from the conclusion of this Annual General Meeting.

The Company has obtained necessary certificate under Section 141 of the Act 2013 conveying their eligibility for being statutory auditors of the Company for the year 2023-24.

Disclosures

During the year, there were no transaction requiring disclosure or reporting in respect of matters relating to:

- (a) details relating to deposits covered under Chapter V of the Act;
- (b) issue of equity shares with differential rights as to dividend, voting or otherwise;

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- (c) issue of shares (including sweat equity shares) to employees of the Company under any scheme;
- (d) raising of funds through preferential allotment or qualified institutions placement;
- (e) significant or material order passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;
- (f) pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016 and instance of one-time settlement with any bank or financial institution.

Change in Registered Office

During the year under review, the board at its meeting held on 21st July 2022 changed its registered office from 1st Floor, Greenways Towers, No. 119, St. Mary's Road, Abhiramapuram, Chennai – 600018 to Ispahani Centre, 4th Floor, Door No. 123,124, Nungambakkam High Road, Chennai – 600034 for its administrative convenience. Necessary Approvals were obtained from the registrar of companies as the change in registered office within the local limits of the same city.

Material changes and commitments

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

Details of material related party transactions:

Details of material related party transactions under Section 188 of the Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, are given in Annexure I to this report in the prescribed form.

Employee's remuneration:

There are currently no employees in the Company, hence the requirement of attaching a statement under Section 197 of the Companies Act 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 containing the details of employee's remuneration is not applicable.

Details of loans / guarantees / investments made:

The disclosure under this head is not applicable as the Company has not extended any guarantee or loans to other companies as per Section 186 of the Act, 2013 for the period ended 31st March 2023.

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

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The provisions of Section 134(3)(m) of the Act 2013 and the rules made there-under relating to the information and details on conservation of energy, technology absorption do not apply to the Company, as the Company is not a manufacturing company.

Reporting of fraud:

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act 2013.

Maintenance of cost records:

Pursuant to Section 148(1) of the Companies Act, 2013 cost records are required to be maintained by specified class of Companies whose turnover exceeds 35 Crores during the immediately preceding financial year. Further, companies covered under Table B of Rule 3 to Companies (Cost Records and Audit) Rules, 2014 whose overall annual turnover exceeds 100 Crores are required to get its cost records audited.

The Company's operations do not fall under any of the activities requiring maintenance and subsequent audit of cost records.

Disclosure in terms of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company was not required to constitute an Internal Complaints Committee as required under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 since there are no employees in the Company.

During the year under review, there were no cases filed pursuant to the provisions of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013.

Acknowledgement

The directors gratefully acknowledge the continued support and co-operation received from the holding Company, namely Emerald Haven Realty Limited, its customers and bankers for their continued support and assistance.

For and on behalf of the Board

Place: Chennai
Date: 25th April 2023


V Karunakara Reddy
Director
DIN: 08417260


Sriram Subramanian Iyer
Director
DIN: 06967858