

To,

The Members of

**GMR BANNERGHATTA PROPERTIES PRIVATE LIMITED****Report on the Financial Statements :**

We have audited the accompanying financial statements of **GMR BANNERGHATTA PROPERTIES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's responsibility for the financial Statements :**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the accounting standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion :**

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as on 31<sup>st</sup> March 2019, and its Loss and its Cash Flow for the year ended on that date.



**Report on Other legal and Regulatory requirements :**

1. As required by the Companies (Auditor's Report) Order, 2016, ("the order"), issued by the Central Government of India, in terms of subsection (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by section 143(3) of the Act, We report that :
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet and Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a. The Company does not have any pending litigations which would impact its financial position.
    - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses .
    - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Hyderabad

Date : 09.09.2019

For **S.Venkatadri & Co.,**  
Chartered Accountants  
Firm's Regn No.004614S

  
(**K.SRINIVASA RAO**)  
P A R T N E R  
M.No.201470



With reference to the Annexure referred to in paragraph 1 under the heading "Report on other legal & regulatory requirements" of our Report of even date to the members of **GMR BANNERGHATTA PROPERTIES PRIVATE LIMITED** on the financial statements for the year ended 31<sup>st</sup> March 2019. We report that

- I. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
  
b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regards to the company and the nature of its assets. No material discrepancies were noticed on such verification.  
  
c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of company.
- II. The company did not hold any physical inventories during the year and therefore had no stocks of finished goods, stores, spare parts and raw materials during / at the end of the year. Accordingly Clause 3(ii) of the order is not applicable.
- III. The company has not granted any loans, secured or unsecured to the companies, firms, Limited Liability Partnership or other parties listed in the register maintained under section 189 of companies Act 2013. Accordingly Clause 3(iii) (a) to (c) of the order is not applicable.
- IV. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities.
- V. The Company has not accepted any deposits from the public covered by the provisions of Section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder. hence clause 3(v) of the order is not applicable to the company
- VI. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- VII. a. According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Income-Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable. Employees State Insurance, Service Tax, Sales tax, Provident Fund, Value added Tax, Duty of Customs, Duty of Excise are not applicable to the company.  
  
b. According to the information and explanations given to us and the records of the company examined by us there are no dues of Income Tax, Service Tax, Value Added Tax, Sales Tax, Duty of Excise, Duty of customs which have not been deposited on account of any dispute.





- VIII. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Govt. or dues to debenture holders.
- IX. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer, but raised term Loans which have been used for the purpose for which it is raised.
- X. According to the information and explanation given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- XI. During the year company has not paid managerial remuneration hence the provisions of clause (xi) of the order is not applicable to the company.
- XII. In Our Opinion and according to the explanations given to us, the company is not a Nidhi company. Accordingly, provisions of clause 3(xii) of the order are not applicable.
- XIII. According to the explanations and information given to us, the company has not done any transactions with the related parties.
- XIV. According to the information and explanations given to us, the company has not made any preferential allotment or Private placement of shares or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3(xiv) of the order are not applicable.
- XV. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with the directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- XVI. In our opinion, The company is not required to be registered under section 45-IA of the Reserve bank of India Act, 1934.

Place : Hyderabad

Date : 09.09.2019

For **S.Venkatadri & Co.,**  
Chartered Accountants  
Firm's Regn No.004614S

  
**(K.SRINIVASA RAO)**  
P A R T N E R  
M.No.201470



**Annexure "B" to the Independent Auditors' Report of even date on the Financial Statements of GMR BANNERGHATTA PROPERTIES PRIVATE LIMITED**

**Report on the Internal Controls on Financial Controls under clause (i) of sub-section (3) of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **GMR BANNERGHATTA PROPERTIES PRIVATE LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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



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

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

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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.

Place : Hyderabad

Date : 09.09.2019

For **S.Venkatadri & Co.,**  
Chartered Accountants  
Firm's Regn No.0046148

  
(**K.SRINIVASA RAO**)  
P A R T N E R  
M.No.201470



**GMR BANNERGHATTA PROPERTIES PRIVATE LIMITED**

CIN : U70102TG2005PTC046465

Regd. Office: Door No. 6-3-866/1, GMR Towers, Second Floor, Begumpet, Hyderabad - 500 016

**Balance Sheet as at March 31, 2019**

		Amount in Rs.	
Particulars	Note No.	March 31, 2019	March 31, 2018
<b>I. EQUITY AND LIABILITIES</b>			
1 Shareholders' funds			
(a) Share capital	3	250,000,000	250,000,000
(b) Reserves and surplus	4	165,305,183	203,778,240
2 Non-current liabilities			
(a) Long-term borrowings	5	240,000,000	900,000,000
3 Current liabilities			
(a) Short-term borrowings	6	-	1,292,000,000
(b) Other current liabilities	7	1,158,318,439	18,058,067
<b>TOTAL</b>		<b>1,813,623,622</b>	<b>2,663,836,307</b>
<b>II. ASSETS</b>			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	26,092,290	26,223,224
(b) Non-current investments	9	190,995,000	190,995,000
(c) Long-term loans and advances	10	1,228,179,021	2,240,505,385
2 Current assets			
(a) Cash and cash equivalents	11	283,560	612,463
(b) Short-term loans and advances	12	44,000,000	19,220,978
(c) Other current assets	13	324,073,751	186,279,257
<b>TOTAL</b>		<b>1,813,623,622</b>	<b>2,663,836,307</b>

Corporate Information about the company

1

Summary of Significant Accounting Policies

2

The accompanying notes are an integral part of the Financial statements

3-25

As per my Report of even date attached  
For S Venkatadri & Co.

Chartered Accountants

Firm's Regn No.004614S

K. Srinivasa Rao  
Partner  
M.No.201470



for and on behalf of the Board of Directors Of  
GMR Bannerghatta Properties Pvt Ltd

CH.Srinivasa Rao  
Director  
DIN No.03497034

*CH. Srinivasa Rao*

Ravi Majeti  
Director  
DIN No.07106220

*Ravi Majeti*

Place : New Delhi  
Date : September 09, 2019

*Aruna K*  
Aruna K  
Company Secretary  
M.No.A38802





**GMR BANNERGHATTA PROPERTIES PRIVATE LIMITED**

CIN : U70102TG2005PTC046465

Regd. Office: Door No. 6-3-866/1, GMR Towers, Second Floor, Begumpet, Hyderabad - 500 016

**Statement of Profit and loss for the year ended March 31, 2019**

Amount in Rs.

Particulars		Note No.	March 31, 2019	March 31, 2018
I.	Revenue from operations		-	-
II.	Other income	14	137,861,772	116,370,966
III.	<b>Total Revenue (I + II)</b>		<b>137,861,772</b>	<b>116,370,966</b>
IV.	<b>Expenses:</b>			
	Employee benefits expense	15	-	2,623,902
	Other expenses	16	265,633	1,475,356
	Finance costs	17	175,938,262	99,781,485
	Depreciation and amortization expense	8	130,934	130,934
	<b>Total expenses</b>		<b>176,334,829</b>	<b>104,011,677</b>
V.	<b>Profit before tax</b>		<b>(38,473,057)</b>	<b>12,359,289</b>
VI	<b>Tax expense:</b>			
	(1) Current tax		-	3,861,244
	(2) Earlier years tax		-	-
VII	<b>Profit (Loss) for the period (V - VI)</b>		<b>(38,473,057)</b>	<b>8,498,045</b>
VIII	<b>Earnings per equity share:</b>			
	(1) Basic and diluted		<b>(1.54)</b>	<b>0.34</b>

Corporate Information about the company

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Summary of Significant Accounting Policies

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The accompanying notes are an integral part of the Financial statements

3-25

As per my Report of even date attached

**For S Venkatadri & Co.**

**Chartered Accountants**

**Firm's Regn No.004614S**

  
**K. Srinivasa Rao**  
 Partner  
 M.No.201470



**for and on behalf of the Board of Directors Of  
GMR Bannerghatta Properties Pvt Ltd**

  
**CH. Srinivasa Rao**  
 Director  
 DIN No.03497034

  
**Ravi Majeti**  
 Director  
 DIN No.07106220

Place : New Delhi

Date : September 09, 2019

  
**Aruna K**  
 Company Secretary  
 M.No.A38802





**GMR BANNERGHATTA PROPERTIES PRIVATE LIMITED**

CIN : U70102TG2005PTC046465

Regd. Office: Door No. 6-3-866/1, GMR Towers, Second Floor, Begumpet, Hyderabad - 500 016

**Cash flow statement for the year ended March 31, 2019**

Amount in Rs.

Particulars	March 31, 2019	March 31, 2018
<b>Cash flow from operating activities</b>		
Profit before tax from continuing operations	(38,473,057)	12,359,289
Profit before tax	(38,473,057)	12,359,289
<b>Non-cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation/ amortization on continuing operation	130,934	130,934
Interest Income	(137,794,494)	(115,845,709)
Finance costs	54,078,192	96,869,759
<b>Operating profit before working capital changes</b>	(122,058,425)	(6,485,727)
<b>Movements in working capital :</b>		
Increase/ (decrease) in other current liabilities	1,140,260,372	2,321,077
Decrease / (increase) in other current assets	(137,794,494)	(111,984,463)
Decrease / (Increase) long term loans and advances	1,012,326,364	(803,135,364)
Decrease / (increase) short term loans and advances	(24,779,022)	3,039,429
<b>Cash generated from / (used in) operations</b>	1,867,954,795	(916,245,048)
Direct taxes paid (net of refunds)	-	(3,861,244)
<b>Net cash flow from/ (used in) operating activities (A)</b>	1,867,954,795	(920,106,292)
<b>Cash flows from investing activities</b>		
Interest received	137,794,494	115,845,709
<b>Net cash flow from/ (used in) investing activities (B)</b>	137,794,494	115,845,709
<b>Cash flows from financing activities</b>		
Proceeds from long-term borrowings	(660,000,000)	900,000,000
Proceeds from short-term borrowings	(1,292,000,000)	-
Interest paid	(54,078,192)	(96,869,759)
<b>Net cash flow from/ (used in) in financing activities (C)</b>	(2,006,078,192)	803,130,241
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	(328,903)	(1,130,342)
Cash and cash equivalents at the beginning of the year	612,463	1,742,805
<b>Cash and cash equivalents at the end of the year</b>	283,560	612,463
<b>Components of cash and cash equivalents</b>		
Cash on hand	-	766
With banks- on current account	283,560	611,697
<b>Total cash and cash equivalents (note 11)</b>	283,560	612,463

Corporate Information about the company  
Summary of Significant Accounting Policies

1  
2

The accompanying notes are an integral part of the Financial statements

3-25

As Per our Report of even date attached  
For S Venkatadri & Co.  
Chartered Accountants  
Firm's Regn No.004614S

K. Srinivasa Rao  
Partner  
M.No.201470



for and on behalf of the Board of Directors Of  
GMR Bannerghatta Properties Pvt Ltd

*CH. Srinivasa Rao*

CH.Srinivasa Rao  
Director  
DIN No.03497034

*Ravi Majeti*

Ravi Majeti  
Director  
DIN No.07106220

Place : New Delhi  
Date : September 09, 2019

*Aruna K*  
Aruna K  
Company Secretary  
M.No.A38802



**GMR Bannerghatta Properties Private Limited**

**CIN : U70102TG2005PTC046465**

**Regd. Office: Door No. 6-3-866/1, GMR Towers, Second Floor,  
Begumpet, Hyderabad - 500 016**

**Summary of Significant Accounting Policies**

**Note-1 Corporate Information about the company**

GMR Bannerghatta Properties Private Limited domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is in the business of dealing in real estate, property development, estate agency to acquire by purchase, exchange, net or otherwise deal in lands, buildings or any estate or interest therein and any rights over or connected with lands so situated and laying out, developing land for industrial purpose, building and preparing sites by planting, paving, drawing and by constructing offices, flats, service flats, hotels, warehouses, shopping and commercial complexes, by leasing, letting or renting, selling( by installments, ownership, hire purchase basis or otherwise or disposing of the same). . GMR Bannerghatta Properties Private Limited is a subsidiary company of Grandhi Enterprises Private Limited.

**Note-2 Basis of preparation**

The financial statements have been prepared to comply in all material respects with the accounting standards notified by Companies (Accounting standards) rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013 ('the act').The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the company.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**2.1 significant accounting policies**

**i. Use of estimates:**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**ii. Revenue recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

- a. Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.
- b. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.
- c. Profit/ loss on sale of mutual funds are recognized when the title to mutual funds ceases to exist.



**Summary of Significant Accounting Policies**

iii. Fixed assets

Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and freight, duties levies and borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. Assets under installation or under construction as at balance sheet are shown as Capital work in progress.

iv. Depreciation

Tangible assets

For domestic subsidiaries, joint ventures and associates, the Group provides depreciation on fixed assets, other than those specifically stated below, using straight line method at the rates specified under Schedule II to the Companies Act, 2013 which is estimated by the management to be the estimated useful lives of the assets, except for assets individually costing less than Rs. 5,000, which are fully depreciated in the year of acquisition.

v. Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.



**Summary of Significant Accounting Policies**

**vi. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as Non-Current investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**vii. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**viii. Taxes on Income**

Tax expense comprises both Current tax and deferred tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income tax payable in respect of the taxable income for the reporting period. Deferred tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

**ix. Provisions**

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.





### **Summary of Significant Accounting Policies**

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

x. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

xi. Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

xii. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.



**Notes to the Financial Statements for the year ended March 31, 2019**

**3.Share capital**

Particulars	March 31, 2019		March 31, 2018	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
<b>Authorised</b> 2,50,00,000 Equity Shares of Rs.10/- each	25,00,000	250,00,000	25,00,000	250,00,000
<b>Issued, subscribed and fully paid up</b> Equity shares of Rs. 10/- each At the beginning of the reporting period Issued during year Cancelled during the year <b>At the close of the reporting period</b>	25,00,000 - - 25,00,000	250,00,000 - - 250,00,000	25,00,000 - - 25,00,000	250,00,000 - - 250,00,000

**Terms/rights attached to Equity shares**

The Company has only one class of equity shares having a par value of Rs.10 per share. Every member holding equity shares therein shall have voting rights in proportion to the member's share of the paid up equity share capital. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

**Details of Equity Share Holders Holding more than 5 % shares in the Company**

Name of Shareholder	March 31, 2019		March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Grandhi Enterprises Pvt Ltd	24,990,000	99.96%	24,990,000	99.96%

**4.Reserves and surplus**

Particular	Amount in Rs.	
	March 31, 2019	March 31, 2018
Opening balance	203,778,240	195,280,195
Transferred from/to Profit & Loss Account	(38,473,057)	8,498,045
<b>Closing Balance</b>	<b>165,305,183</b>	<b>203,778,240</b>

**5.Long Term Borrowings**

Particular	Amount in Rs.	
	March 31, 2019	March 31, 2018
Loan from Financial Institutions	-	900,000,000
Optionally Convertible Debentures (Unsecured)	240,000,000	-
<b>Total</b>	<b>240,000,000</b>	<b>900,000,000</b>

Loan from Financial institution Rs.90,00,00,000/- ( Current Maturities of Debt) (2018: Rs. 90,00,00,000/-) against the first charge on the unencumbered fixed assets of the company and repayable in March'2020

During the year the Company has issued 2,40,00,000 Nos Unsecured Non-marketable Redeemable Debentures with an option to covert into equity shares ( OCD's) face value Rs. 10/- each for a total amount of Rs. 24,00,00,000/- from financial institutions( March 2018, Rs.Nil). These OCD's are issued with a IRR of 10 % per year and 0.01 coupon payable per year per annum on 31st March every year and the balance redemption premium payable at the end of 10 years tenure from the date of issue.

**6.Short Term Borrowings**

Particular	Amount in Rs.	
	March 31, 2019	March 31, 2018
Secured Deposit Loan from Banks	-	1,264,400,000
Unsecured Loan from related parties	-	27,600,000
<b>Total</b>	<b>-</b>	<b>1,292,000,000</b>

Demand Loans from banks of Rs.Nil (March, 2018:Rs.1,264,400,000) secured against the Fixed Deposits of Other Companies

Unsecured Loan from Group Company Rs. Nil (March, 2018 : Rs.27,600,000)

**7.Other Current Liabilities**

Particular	Amount in Rs.	
	March 31, 2019	March 31, 2018
Current maturities of the debt	900,000,000	-
Advances received	205,000,000	-
Non trade payables	12,054,056	13,622,674
Interest accrued but not due on borrowings	37,137,945	4,144,220
Statutory dues payable	4,126,438	291,173
<b>Total</b>	<b>1,158,318,439</b>	<b>18,058,067</b>



**GMR BANNERGHATTA PROPERTIES PRIVATE LIMITED**

CIN : U70102TG2005PTC046465

Regd. Office: Door No. 6-3-866/1, GMR Towers, Second Floor, Begumpet, Hyderabad - 500 016

Notes to the Financial Statements for the year ended March 31, 2019

**8. Fixed Assets as on March 31, 2019**

Fixed Assets	Depreciation Rate	Gross Block			Accumulated Depreciation		Amount in Rs.	
		Opening	Additions/ (Disposals)	Closing	Opening	Depreciation for the year	March 31, 2019	March 31, 2018
<b>Tangible Assets</b>								
Land		25,943,655	-	25,943,655	-	-	25,943,655	25,943,655
Vehicles	10.00%	977,988	-	977,988	754,666	97,799	125,523	223,322
Office equipment	11.88%	80,373	-	80,373	67,211	9,548	3,614	13,162
Computers	15.83%	149,000	-	149,000	105,915	23,587	19,498	43,085
<b>Total</b>		<b>27,151,016</b>	<b>-</b>	<b>27,151,016</b>	<b>927,792</b>	<b>130,934</b>	<b>26,092,290</b>	<b>26,223,224</b>



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**Notes to the Financial Statements for the year ended March 31, 2019**

**9. Non-current investments**

Amount in Rs.

Particulars	No of shares	Face Value	March 31, 2019	No of shares	Face Value	March 31, 2018
Un-quoted Fully Paid equity shares in Group companies of Rs.10/- each Corporate Infrastructure Services Private Limited	90,000	10	1,395,000	90,000	10	1,395,000
Investment in preference shares in Group companies of Rs.10 /- each GMR Enterprises Pvt Ltd	18,96,000	10	189,600,000	18,96,000	10	189,600,000
<b>Total</b>			<b>190,995,000</b>			<b>190,995,000</b>

**10. Long Term Loans and Advances**

Amount in Rs.

Particulars	March 31, 2019	March 31, 2018
Loans and advances to related parties	1,228,179,021	2,240,505,385
<b>Total</b>	<b>1,228,179,021</b>	<b>2,240,505,385</b>

**11. Cash and cash equivalents**

Amount in Rs.

Particulars	March 31, 2019	March 31, 2018
a. Balances with scheduled banks in current a/c	283,560	611,697
b. Cash on hand	-	766
<b>Total</b>	<b>283,560</b>	<b>612,463</b>

**12. Short-term loans and advances**

Amount in Rs.

Particulars	March 31, 2019	March 31, 2018
Advances recoverable in cash or kind Unsecured considered good	44,000,000	19,220,978
<b>Total</b>	<b>44,000,000</b>	<b>19,220,978</b>

**13. Other Current Assets**

Amount in Rs.

Particulars	March 31, 2019	March 31, 2018
Interest receivable on loans	306,559,349	171,520,745
Advance income-tax (net of provisions)	17,514,402	14,758,512
	<b>324,073,751</b>	<b>186,279,257</b>





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**Notes to the Financial Statements for the year ended March 31, 2019****Note 14****Other income**

Amount in Rs.

Particulars	March 31, 2019	March 31, 2018
Interest received on IT refund	-	-
Interest received on Loans	137,794,494	115,845,709
Other income	67,278	525,257
<b>Total</b>	<b>137,861,772</b>	<b>116,370,966</b>

**Note 15****Employee Benefits Expense**

Amount in Rs.

Particulars	March 31, 2019	March 31, 2018
Salaries, wages and bonus	-	2,088,800
Staff welfare expenses	-	535,102
<b>Total</b>	<b>-</b>	<b>2,623,902</b>

**Note 16****Other expenses**

Amount in Rs.

Particulars	March 31, 2019	March 31, 2018
Advances/Bad Debts Written Off	14,239	771,437
Power & Water charges	-	37,423
Repairs and Maintenance-others	99,783	102,376
Interest on delayed TDS Payment	8,736	21,232
Travelling & Conveyance expenses	26,566	384,205
Communication expenses	-	43,396
Consultancy & Professional charges	18,750	27,597
Logo Fees	1,000	1,120
Demat Charges	15,000	-
Rates and taxes	29,788	31,079
Insurance	13,371	27,989
Statutory Audit fees (Refer note below )	30,000	25,000
Professional Tax	2,500	2,500
Miscellaneous expenses	5,900	1
<b>Total</b>	<b>265,633</b>	<b>1,475,356</b>

**Payment to Auditor**

Amount in Rs.

Particulars	March 31, 2019	March 31, 2018
As Auditor		
Audit Fees	30,000	25,000
Certification fees	-	-
<b>Total</b>	<b>30,000</b>	<b>25,000</b>

**Note 17****Finance costs**

Amount in Rs.

Particulars	March 31, 2019	March 31, 2018
Interest on Deposit Loans	54,078,192	96,869,759
Interest on loans from Financial Institutions & Others	106,669,496	2,911,726
Interest on Debentures	15,189,041	-
Bank charges	1,533	-
<b>Total</b>	<b>175,938,262</b>	<b>99,781,485</b>



**GMR Bannerghatta Properties Private Limited**

**CIN : U70102TG2005PTC046465**

**Regd. Office: Door No. 6-3-866/1, GMR Towers, Second Floor,  
Begumpet, Hyderabad - 500 016**

**Notes to the Financial Statements for the year ended March 31, 2019**

**18. Capital commitments:**

Estimated amount of contracts remaining to be executed on capital account not provided for, net of advances is Rs. Nil (March 31, 2018 – Rs. Nil).

**19 Related Party transactions**

a) Name of Related Parties and description of Relationship.

<b>GMR Bannerghatta Properties Private Limited - Related parties</b>		
(i)	Holding Company	Grandhi Enterprises Pvt Ltd., ( Immediate Holding Company) GMR Enterprises Pvt. Ltd ( ultimate Holding Company)
(ii)	Enterprises under common control ( where transactions taken place)	Vijay Nivas Real Estates Private Limited Fabcity Properties Private Limited Pashupathi Artrex Agencies Private Limited Kondampeta Properties Private Limited Leora Real Estates Private Limited Radhapriya Real Estates Private Limited GMR Badrinath Hydro Power Pvt. Limited.
(iii)	Key Management Personnel	Mr.CH.Srinivasa Rao, Director Mr. Ravi Majeti, Director Mr. G.Purnachandra Rao, Director

**Notes to the Financial Statements for the year ended March 31, 2019**

b) Summary of transactions with the above related parties is as follows:

		(Amount in Rupees)	
Particulars	March 31' 2019	March 31, 2018	
i) Loans given to Vijay Nivas Reals Estates Pvt Ltd GMR Enterprises Pvt Ltd	- 63,57,01,000	25,58,273 90,04,10,600	
ii) Loan Return back from GMR Enterprise Pvt Ltd	164,80,27,364	9,98,23,507	
iii) Loan return back to Grandhi Enterprises Pvt Ltd	2,76,00,000	-	
iv) Advance received from Pasupathi Artex Agencies Pvt. Ltd	-	11,78,328	
v) Advance return back to Pasupathi Artex Agencies Pvt. Ltd	11,78,328	-	
vi) Interest received on Loans Vijaynivas Real Estates Pvt. Ltd GMR Enterprise Pvt. Ltd	1,59,70,879 12,18,23,615	1,59,18,230 9,99,27,479	
vii) Interest paid on Loans Grandhi Enterprises Pvt. Ltd	9,19,496	26,22,000	
viii) Logo fee to GMR Enterprises Pvt Ltd	1,120	1,120	



**GMR Bannerghatta Properties Private Limited****CIN : U70102TG2005PTC046465****Regd. Office: Door No. 6-3-866/1, GMR Towers, Second Floor,  
Begumpet, Hyderabad - 500 016**

c) Balances as on March 31, 2019 is as under with the following related parties.

(Amount in Rupees)

Name of the company	March 31, 2019	March 31, 2018
i) Equity Shares held by Grandhi Enterprises Pvt Ltd., Fabcity Properties Pvt. Ltd	24,99,00,000 10,000	24,99,00,000 10,000
ii) Loans Given Vijay Nivas Real Estates Pvt Ltd GMR Enterprises Pvt. Ltd	22,02,87,992 100,78,91,029	22,02,87,992 202,02,17,393
iii) Balance Receivable from Fabcity Properties Pvt. Ltd Leora Real Estates Pvt. Ltd	- -	1,03,794 1,17,184
iv) Interest Receivable on Loan Vijaynivas Real Estates Pvt. Ltd GMR Enterprises Pvt. Ltd	38,318,550 259,647,937	22,667,089 140,260,794
v) Balance Payable to GMR Enterprises Pvt Ltd – Logo fees GMR Infrastructure Ltd Pashupati Artex Agencies Pvt.Ltd Radhapriya Properties Pvt. Ltd GMR Badrinath Hydro Power Pvt. Ltd Grandhi Enterprises Pvt Ltd – towards Loan Grandhi Enterprises Pvt. Ltd – towards Interest	1,120 53,000 - - 1,17,11,535 - -	1,120 - 11,78,328 3,70,669 1,17,11,535 2,76,00,000 41,44,220

Note: Transactions and Outstanding balances in the nature of Reimbursement of Expenses incurred by one company on behalf of the other have not been considered above.

**Notes to the Financial Statements for the year ended March 31, 2019****20 Earnings per Share (EPS)**

Particulars	March 31, 2019	March 31, 2018
Nominal value of Equity Shares(Rs. Per share)	10	10
Total No. of Equity Shares outstanding at the beginning of the Period/Year	2,50,00,000	2,50,00,000
Total No. of Equity Shares outstanding at the end of the Period/Year	2,50,00,000	2,50,00,000
Weighted average No. of Equity shares for Basic earnings per Share	2,50,00,000	2,50,00,000
Profit / (loss) as per Profit and loss Account (Rs.)	(3,84,73,057)	84,98,045
Less: Dividend on Preference shares (including tax thereon)	-	-
Profit/ (Loss) for Earning per share (Rs.)	(3,84,73,057)	84,98,045
Earnings per Share (EPS) (Rs.)	(1.54)	0.34

21. There are no micro and small enterprises to which the company owes dues which are outstanding for more than 45 days as at March 31, 2019. This information, as required to be disclosed under the Micro Small and Medium Enterprises Development Act 2006, has been determined to the extent such parties have been identified on the basis of information available with the company.



**GMR Bannerghatta Properties Private Limited**  
**CIN : U70102TG2005PTC046465**  
**Regd. Office: Door No. 6-3-866/1, GMR Towers, Second Floor,**  
**Begumpet, Hyderabad - 500 016**

22 The Company does not have any pending litigations which would impact its financial position as on March 31, 2019.

23 Segment Reporting

The company is engaged primarily in the business of procurement of land and renting of property. Accordingly separate primary and secondary segment reporting disclosures as envisaged in Accounting Standard (AS-17) on Segmental Reporting issued by the ICAI are not applicable to the present activities of the company.

24 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

25 Previous year's figures have been re-grouped and reclassified, wherever necessary, to conform to those of current year.

**As per my Report of even date attached**  
**For S Venkatadri & Co.**  
**Chartered Accountants**  
**Firm's Regn No.004614S**

  
**K. Srinivasa Rao**  
**Partner**  
**M.No.201470**



**for and on behalf of the Board of Directors Of**  
**GMR Bannerghatta Properties Pvt Ltd**



**CH.Srinivasa Rao**  
**Director**  
**DIN No.03497034**



**Ravi Majeti**  
**Director**  
**DIN No.07106220**

  
**Aruna K**

**Company Secretary**  
**M.No. A38802**

**Place : New Delhi**  
**Date : September 09, 2019**

