B. Purushottam & Co.,
CHARTERED ACCOUNTANTS

# INDEPENDENT AUDITOR'S REPORT

**To the members of Hyderabad Jabilli Properties Private Limited**

**Report on the Audit of the Standalone Financial Statements**

## Opinion

We have audited the standalone financial statements of **Hyderabad Jabilli Properties Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 (financial position) of the Company as at March 31, 2019, and its **Loss**, 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 *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 standalone 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.

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

**Auditor's Responsibilities 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.

B. PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS
Chennai-600 017

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, we give in the Annexure A, a statement on the matters specified in Para 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 purpose of our audit;

(b) In our opinion, proper books of accounts 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, 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 standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Act;

(f) As the Company is a private limited company, not having turnover more than rupees fifty crores as per last audited financial statements and which does not have aggregate borrowings exceeding twenty five crore rupees from any bank or financial institution or any body corporate at any point of time during the financial year, the reporting on Internal financial control u/s 143(3)(i) of Companies act, 2013 is not applicable.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position in its financial statements

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For B. PURUSHOTTAM & CO
Chartered Accountants
Reg No. 002808S

K.V.N.S. KISHORE
Partner
M. No. 206734

B. PURUSHOTTAM & CO
23/A, North Boag Road, T.Nagar, Chennai 600 017
CHARTERED ACCOUNTANTS

**Place : Chennai**
**Date : 16.08.2019**

**UDIN:** 19206734AAAADQ2449

## ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

With reference to the Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of the Independent Auditor's report to the members of Hyderabad Jabilli Properties Private Limited on the financial statements for the year ended 31st March 2019, we report that:

(i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Company has only Land under fixed assets and hence physical verification does not arise.

(c) The title deeds of immovable properties are held in the name of the company.

(ii) The Company does not have any inventory during the year and hence reporting under this clause does not arise.

(iii) The company has not granted loans, secured or unsecured to companies covered in the register maintained under section 189 of the Companies Act, 2013, hence reporting under this clause does not arise.

(iv) According to the information and explanations given to us the company has not given any loans, guarantees. However, the company has mortgaged its land for the loan taken by other group companies. As per the information and explanations given to us the provisions of section 186 are not applicable as the company is engaged in providing infrastructure facilities.

(v) The company has not accepted deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder.

(vi) Maintenance of cost records is not prescribed under sub-section (1) of section 148 of the Companies Act, 2013, hence reporting under this clause does not arise.

(vii) (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, cess, Goods and Service Tax and any other statutory dues, as applicable to the company, to the appropriate authorities.

(b)According to the information and explanations given by the management of the company, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they become payable.

(c) No dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute.

(viii) 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, Government or dues to debenture holders.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year under review. As the information and explanations given to us term loans raised during the year is utilized for the purpose for which it is raised.

(x) According to the information and explanations given to us no fraud by the company or no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) The Company is a private company and so the limits for payment of managerial remuneration specified in Sec 197 and Schedule V are not applicable. Hence, we have no comments to offer.

(xii) The Company is not Nidhi Company hence reporting under this clause is not applicable.

(xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;

(xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, hence reporting under this clause does not arise.

(xv) According to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For B. PURUSHOTTAM & CO.
Chartered Accountants
Reg No. 002808S

K.V.N.S. KISHORE
Partner
M. No. 206734

**Place : Chennai**
**Date : 16.08.2019**

**UDIN:** 19206734AAAADQ2449

# Hyderabad Jabilli Properties Private Limited

Ground Floor, Skip House, #25/1, Museum Road, Bangalore- 560025
CIN:U45200KA2008PTC045461

## Balance Sheet as at 31st March 2019

( Amount in Rs.)

| | Particulars | Note No. | March 31, 2019 | March 31, 2018 |
|---|---|---|---|---|
| I. | **EQUITY AND LIABILITIES** | | | |
| | **Shareholders' funds** | | | |
| | Share capital | 2 | **10,595,000** | 10,595,000 |
| | Reserves and surplus | 3 | **(12,688,257)** | (12,353,088) |
| | **Non-current liabilities** | | | |
| | Long-term borrowings | 4 | - | 65,611,000 |
| | **Current liabilities** | | | |
| | Other current liabilities | 5 | **92,271,161** | 22,257,178 |
| | Short Term Provisions | 6 | **20,000** | 32,357 |
| | **TOTAL** | | **90,197,904** | **86,142,447** |
| II. | **ASSETS** | | | |
| | **Non-current assets** | | | |
| | Fixed assets - Land | 7 | **85,115,000** | 85,115,000 |
| | **Current assets** | | | |
| | Cash and cash equivalents | 8 | **5,082,904** | 1,027,447 |
| | Other Current assets | 9 | - | - |
| | **TOTAL** | | **90,197,904** | **86,142,447** |
| | Significant accounting policies and notes to accounts forming an integral part of the financial statements | 1 | | |

The accompanying notes form an integral part of financial statements

As per our report of even date attached
for **B Purushottam & Co**
**Chartered Accountants**
**Firm Reg. No.002808S**

**for and on behalf of the Board of Directors of**
**Hyderabad Jabilli Properties Private Limited**

**K.V.N.S Kishore**
**Partner**
M. No.206734

**K.Sreemannarayana**
**Director**
DIN: 01876402

**Ravi Majeti**
**Director**
DIN:07106220

**Place : New Delhi**
**Date : 16th August'2019**

## Hyderabad Jabilli Properties Private Limited
Ground Floor, Skip House, #25/1, Museum Road, Bangalore- 560025
CIN:U45200KA2008PTC045461

## Profit and loss statement for the year ended March 31, 2019

( Amount in Rs.)

| Particulars | Note No. | March 31, 2019 | March 31, 2018 |
|---|---|---|---|
| **Income:** | | | |
| Other income | 10 | - | 69,418 |
| **Total Revenue** | | - | **69,418** |
| **Expenses:** | | | |
| Finance costs | 11 | 1,151 | - |
| Other expenses | 12 | 334,018 | 27,254 |
| **Total expenses** | | 335,169 | **27,254** |
| **Profit before exceptional and extraordinary items and tax** | | (335,169) | 42,164 |
| Exceptional items | | - | - |
| **Profit/(Loss) before tax** | | (335,169) | **42,164** |
| **Tax expense:** | | | |
| (1) Current tax | | - | 10,857 |
| (2) Previous year taxes | | | - |
| **Total tax expenses** | | - | **10,857** |
| **Profit (Loss) for the year** | | (335,169) | **31,307** |
| Earnings per equity share [nominal value of share Rs.10 (31st March 2018: Rs.10] | | | |
| Basic and diluted EPS | | **(0.32)** | 0.03 |
| Significant accounting policies and notes to accounts forming an integral part of the financial statements | 1 | | |

The accompanying notes form an integral part of financial statements

As Per our Report of even date attached
for **B purushottam & Co**
**Chartered Accountants**
**Firm Reg. No.002808S**

**K.V.N.S Kishore**
**Partner**
M. No.206734

Place : New Delhi
Date : 16th August'2019

for and on behalf of the Board of Directors of
**Hyderabad Jabilli Properties Private Limited**

**K.Sreemannarayana**
**Director**
DIN: 01876402

**Ravi Majeti**
**Director**
DIN:07106220

Hyderabad Jabilli Properties Private Limited
Ground Floor, Skip House, #25/1, Museum Road, Bangalore- 560025
CIN:U45200KA2008PTC045461
Cash flow statement for the year ended March 31, 2019

( Amount in Rs.)

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| **Cash flow from operating activities** | | |
| Profit before tax from continuing operations | (335,169) | 42,164 |
| Profit before tax from discontinuing operations | - | - |
| **Profit before tax** | (335,169) | 42,164 |
| **Non-cash adjustment to reconcile profit before tax to net cash flows** | | |
| Finance costs | 1,151 | - |
| Proft on sale of current investments (net) | - | (69,418) |
| **Operating profit before working capital changes** | (334,018) | (27,254) |
| Movements in working capital : | | |
| Increase/ (decrease) in other current liabilities | 70,013,983 | 20,857 |
| Decrease / (increase) in short term provision | (12,357) | - |
| **Cash generated from /(used in) operations** | 69,667,608 | (6,397) |
| Direct taxes paid (net of refunds) | (1,151) | (10,857) |
| **Net cash flow from/ (used in) operating activities (A)** | 69,666,457 | (17,254) |
| **Cash flows from investing activities** | | |
| (Increase) / Decrease in Fixed Assets | - | - |
| Proceeds sale of current investments (net) | | 500,000 |
| Proft on sale of current investments (net) | - | 69,418 |
| **Net cash flow from/ (used in) investing activities (B)** | - | 569,418 |
| **Cash flows from financing activities** | | |
| Repayment of long-term borrowings | (65,611,000) | 110,000 |
| **Net cash flow from/ (used in) in financing activities (C)** | (65,611,000) | 110,000 |
| Net increase/(decrease) in cash and cash equivalents (A + B + C) | 4,055,457 | 662,164 |
| Cash and cash equivalents at the beginning of the year | 1,027,447 | 365,283 |
| **Cash and cash equivalents at the end of the year** | 5,082,904 | 1,027,447 |
| **Components of cash and cash equivalents** | | |
| Cash on hand | - | - |
| Cheques/ drafts on hand | 5,039,000 | - |
| With banks- on current account | 43,904 | 1,027,447 |
| - on deposit account | - | - |
| **Total cash and cash equivalents (note 8)** | 5,082,904 | 1,027,447 |

The accompanying notes form an integral part of financial statements

As Per our Report of even date attached
for **B Purushottam & Co**
Chartered Accountants
**Firm Reg. No.002808S**

**K.V.N.S Kishore**
**Partner**
M. No.206734

**Place : New Delhi**
**Date : 16th August'2019**

for and on behalf of the Board of Directors of
**Hyderabad Jabilli Properties Private Limited**

**K.Sreemannarayana**
**Director**
DIN: 01876402

**Ravi Majeti**
**Director**
DIN:0710622

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

Hyderabad Jabilli 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, deal in lands, buildings or any estate or interest therein and any rights over or connected with lands, developing land by Constructing offices, flats, or renting, selling the property. Hyderabad Jabilli Properties Private Limited is a subsidiary company of GMR Enterprise Private Limited.

**Note-1.1 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.

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 changed to the statement of profit and loss for the period during which such expenses are incurred.

PURUSHOTTAM & CO. 23/A North Boag Road, T Nagar, Chennai 600 017 CHARTERED ACCOUNTANTS

HYDERABAD JABILLI PROPERTIES PVT LTD

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 / Amortization

Tangible assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management or rates prescribed under Schedule II Companies Act, 2013 whichever is higher, except for assets individually costing less than Rs. 5,000, which are fully depreciated in the year of acquisition.

Leasehold land is amortized over the tenure of the lease. Leasehold improvements are amortized over the primary period of the lease or estimated useful life whichever is shorter.

Depreciation on adjustments to the historical cost of the assets on account of foreign exchange fluctuations is provided prospectively over the residual useful life of the asset.

Intangible assets

Software is amortized based on the useful life of six years on a straight line basis as estimated by the management

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 Companies 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.

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. Employee Benefit

As there are no employees, the company has not determined the liability for gratuity and long term compensated absence in accordance with revised AS-15.

viii. 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.

ix. Taxes on Income

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

x. Segment Reporting Policies

Identification of segments:

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Inter segment Transfers:

The Company accounts for intersegment sales/ transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated Items:

Includes income tax, deferred tax charge or credit and the related tax liabilities and tax assets. Also includes interest expense or interest income and related interest generating assets, interest bearing liabilities, which are not allocated to any business segment.

Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS

HYDERABAD JABILLI PROPERTIES PVT LTD

xi. 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.

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.

xii. 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.

xiii. 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.

xiv. 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.

Hyderabad Jabilli Properties Private Limited

Ground Floor, Skip House, #25/1, Museum Road, Bangalore- 560025
CIN:U45200KA2008PTC045461

Notes to the financial statements for the year ended March 31, 2019

2. Share capital

Amount in Rs.

| Share Capital | March 31, 2019 | | March 31, 2018 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **Authorised Capital**<br>15,00,000 Equity Shares of ` Rs.10/- each | 1,500,000 | **15,000,000** | 1,500,000 | 15,000,000 |
| **Issued , Subscribed & Paid up capital**<br>10,59,500 Equity Shares of ` Rs.10/- each | | | | |
| At the beginning of the reporting period | 1,059,500 | **10,595,000** | 1,059,500 | 10,595,000 |
| Cancelled during the year | - | - | - | - |
| **At the close of the reporting period** | 1,059,500 | **10,595,000** | 1,059,500 | 10,595,000 |

Shares in the company held by each shareholder holding more than 5 percent shares

| Name of Shareholder | March 31, 2019 | | March 31, 2018 | |
|---|---|---|---|---|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| GMR Enterprises Private Limited ( along with its nominee) | 1,059,500 | 100.000% | 1,059,500 | 100.000% |

**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 shall have voting rights in proportion to his ahres to 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 share holders in the ensuing Annual General Meeting

In event of liquidiation of the company,the holders of equity shares would be entitled to receive remaining assts of the company after distribution of all preferential amounts.The distribution will be in propertion to the number of equity shares held by the share holders

3. Reserves and surplus

Amount in Rs.

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| Opening balance | **(12,353,088)** | (12,384,395) |
| (+) Net Profit/(Net Loss) For the current year | **(335,169)** | 31,307 |
| **Total** | **(12,688,257)** | **(12,353,088)** |

4. Long Term Borrowings

Amount in Rs.

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| Unsecured Loan from Holding company | - | 65,611,000 |
| **Total** | - | **65,611,000** |

5. Other Current Liabilities

Amount in Rs.

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| Non trade payables | **21,161** | 7,178 |
| Advance received from customer | **92,250,000** | 22,250,000 |
| **Total** | **92,271,161** | **22,257,178** |

6. Short Term Provisions

Amount in Rs.

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| Provsion for expenses | **20,000** | 21,500 |
| Provision for Tax | - | 10,857 |
| **Total** | **20,000** | **32,357** |

PURUSHOTTAM & CO CHARTERED ACCOUNTANTS

HYDERABAD JABILLI PROPERTIES PVT LTD

**Hyderabad Jabilli Properties Private Limited**
**Ground Floor, Skip House, #25/1, Museum Road, Bangalore- 560025**
**CIN:U45200KA2008PTC045461**

**Notes to the financial statements for the year ended March 31, 2019**

**Amount in Rs.**

**7. Fixed Assets**

| Particular | Gross Block | | | Accumulated Depreciation | | | Net Block | |
|---|---|---|---|---|---|---|---|---|
| | April 01, 2018 | Additions/ (Disposals) | March 31, 2019 | April 01, 2018 | Depreciation charge for the year | March 31, 2019 | March 31, 2019 | March 31, 2018 |
| **Tangible Assets**<br>Land | 85,115,000 | - | 85,115,000 | - | - | - | 85,115,000 | 85,115,000 |
| **Total** | **85,115,000** | **-** | **85,115,000** | **-** | **-** | **-** | **85,115,000** | **85,115,000** |

The company owns 14 acres and 24 guntas of land at Mamidipally Village, Saroor Nagar Revenue Mandal, Ranga Reddy District, Telangana, which has been mortgaged to IDBI Bank as security for the cash credit of Rs. 68 Crores and Non Fund facility of Rs. 382 Crores sanctioned by it to GMR Infrastructure Ltd (a fellow subsidiary).

B. PURUSHOTTAM & CO ★ CHARTERED ACCOUNTANTS ★

HYDERABAD JABILLI PROPERTIES PVT LTD ★

Hyderabad Jabilli Properties Private Limited
Ground Floor, Skip House, #25/1, Museum Road, Bangalore- 560025
CIN:U45200KA2008PTC045461

Notes to the financial statements for the year ended March 31, 2019

### 8. Cash and cash equivalents

Amount in Rs.

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| Balances with banks in current accounts | 43,904 | 1,027,447 |
| Cheques on hand | 5,039,000 | - |
| **Total** | **5,082,904** | **1,027,447** |

### 9. Other Current Assets

Amount in Rs.

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| **Provision for Taxtion** | | |
| Self Assessment Tax-A Y-2018-19 | 10,857 | - |
| **Less :** Provision For Tax-A Y -2018-19 | 10,857 | - |
| **Total** | - | - |

### 10. Other income

Amount in Rs.

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| Profit on sale of current investments | - | 69,418 |
| **Total** | - | **69,418** |

### 11. Finance costs

Amount in Rs.

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| Interest on Income Tax | 1,151 | |
| | | |
| **Total** | 1,151 | - |

### 12. Other expenses

Amount in Rs.

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| Legal and professional fees | **280,000** | 6,500 |
| Rates & Taxes | **7,318** | 10,754 |
| Audit fees (Refer below details) | **20,000** | 10,000 |
| Miscellaneous Expenses | **26,700** | - |
| **Total** | **334,018** | **27,254** |

### Payment to auditor

Amount in Rs.

| | March 31, 2019 | March 31, 2018 |
|---|---|---|
| Audit fees | **20,000** | 10,000 |
| | **20,000** | **10,000** |

B. PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS

HYDERABAD JABILLI PROPERTIES PVT LTD

13. The company owns 14 acres and 24 guntas of land at Mamidipally Village, Saroor Nagar Revenue Mandal, Ranga Reddy District, Telangana, which has been mortgaged to IDBI Bank as security for the cash credit of Rs. 68 Crores and Non Fund facility of Rs. 382 Crores sanctioned by it to GMR Infrastructure Ltd (a fellow subsidiary).

**14. Capital commitments**

Estimated amount of contracts remaining to be executed on capital account not provided for, net of advances Rs. NIL (March 18 – Rs. NIL).

**15. Related Party transactions**

a) Name of Related Parties and description of Relationship.

| Hyderabad Jabilli Properties Private Limited - **Related parties** | | |
|---|---|---|
| (i) | Enterprises that control the Company | GMR Enterprises Private Limited (GEPL) |
| (ii) | Fellow Subsidiary Companies<br>( Where transactions taken place) | -Nil- |
| (iii) | Key Management Personnel | Mr. Purnachandrarao Gollapudi, Director<br>Mr. K.Sreemannarayana, Director<br>Mr. Ravi Majeti, Director |

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

(Amount in Rupees)

| Particulars | March 31, 2019 | March 31, 2018 |
|---|---|---|
| i) Loan taken from | | |
| - enterprises that Control the Company – GEPL | 53,16,500 | 1,10,000 |
| | | |
| ii) Loan repaid to | | |
| - enterprises that Control the Company – GEPL | 7,09,27,500 | - |

c) Balance as on March 31, 2019 is as under for following related parties.

(Amount in Rupees)

| Name of the company | March 31, 2019 | March 31, 2018 |
|---|---|---|
| jj) Loan taken from<br>- enterprises that Control the Company – GEPL | - | 6,56,11,000 |
| ii) Equity Share Capital<br>- Enterprises that Control the Company – GEPL | 1,05,95,000 | 1,05,95,000 |

**16. 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 | 10,59,500 | 10,59,500 |
| Total No. of Equity Shares outstanding at the end of the Period/Year | 10,59,500 | 10,59,500 |
| Weighted average No. of Equity shares for Basic earnings per Share | 10,59,500 | 10,59,500 |
| Profit / (loss) as per Profit and loss Account (Rs.) | (3,35,169) | 31,307 |
| Less: Dividend on Preference shares (including tax thereon) | - | - |
| (Profit)/ Loss for Earning per share (Rs.) | (3,35,169) | 31,307 |
| Earnings per Share (EPS) (Rs.) | (0.32) | 0.03 |

**17.** 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.

**18.** Segment Reporting

The company is engaged primarily in the business of procurement of land. 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.

19. The company owns 14 Acres 24 Guntas of land situated at Mamidipally Village, Sarrornagar Revenue Mandal, Ranga Reddy District, Telangana. The Company entered into an Agreement to Sell on 31st December'2015 (referred to as AOS) with a prospective purchaser to sell 2 Acres and an MOU with the same party on the same day (referred to as MOU) to further sell 10 Acres 18 Guntas ( collectively referred to as Agreements) on completion of certain terms and conditions.

Pursuant to the Agreements the Company received an advance of Rs. 2,22,50,000/-. The completion of the above two transactions is subject to release of mortgage created on the land. However, it spite of best efforts of the Company, the mortgages could not be freed. The purchaser invoked arbitration vide AOP 279/2018 before the Hn'ble IInd Additional District Judge, Ranga Reddy District. The Company and the purchaser reached an amicable settlement and an MOU was entered into subsequent to the accounting year, on 16th May'2019 (New MOU) whereby both the Agreements are to be rescinded. As per the terms of New MOU, land measuring 2 Acres 16 Guntas belonging to Corporate Infrastructure Services Pvt. Ltd (CISPL), another Group company, is offered to the purchaser at the same consideration. The Company has to pay the amount of Rs. 2,22,50,000/, which it has earlier received from the purchaser, to CISPL.

The Hn'ble IInd Additional District Judge, Rangareddy District, vide an order dt. 16th May'2019 had approved and awarded the compromise reached by the parties. Upon passing the said Order, both the Agreements ceased to operate and are terminated and the Company is discharged of all the obligations under the said Agreements.

**20.** Pending litigations:

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

**21.** Foreseeable losses:

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

E. PURUSHOTTAM & CO
23/A, North Boag Road, T. Nagar, Chennai-600 017
CHARTERED ACCOUNTANTS

HYDERABAD JABILLI PROPERTIES PVT LTD

**22.** Foreign Currency Transactions; Nil (2018: Nil).

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

**As Per our Report of even date attached**
**For B Purushottam &Co.**
Chartered Accountants
Firm Registration Number: **002808S**

**For and on Behalf of Board of Directors of**
**Hyderabad Jabilli Properties Private Limited**

K.V.N.S Kishore
Partner
M No: 206734

K.Sreemannarayana
Director
DIN No. 01876402

Ravi Majeti
Director
DIN No. 07106220

Place: New Delhi
Date : 16th August'2019

B. PURUSHOTTAM & CO. 23/A, North Boag Road, T Nagar, Chennai-600 017 CHARTERED ACCOUNTANTS

HYDERABAD JABILLI PROPERTIES PVT LTD