**B. Purushottam & Co.,**
CHARTERED ACCOUNTANTS

# INDEPENDENT AUDITOR'S REPORT

**To the members of Grandhi Enterprises Private Limited**
**Report on the Audit of the Standalone Financial Statements**

## Opinion

We have audited the standalone financial statements of **Grandhi Enterprises Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including the statement of Other Comprehensive Income ), the Statement of Changes in Equity 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 (hereinafter referred to as the "standalone financial statements").

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 Indian Accounting Standards prescribed under sec 133 of the Act read with the Companies (Indian Accounting Standards)Rules,2015,as amended,("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its **Profit** (financial performance including other comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

## Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act 2013 (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 standalone financial statements under the provisions of the Companies Act 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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.

## Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

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

Flat No.3-D, "PIONEER HOMES", 23/A, North Boag Road, T.Nagar, Chennai - 600 017.
Phone : 28152515, 42013486, Fax : 42013485 Email : bpcchennai@gmail.com

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility 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 including other comprehensive income / loss, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 standalone 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 Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 standalone financial statements.
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the 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, (including the statement of Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity 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 Indian Accounting Standards specified under section 133 of the Act.

e. On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, 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" to this report.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

The Company is a Private Limited Company and so the limits for payment of managerial remuneration specified in Section 197 and Schedule V are not applicable. Hence, we have no comments to offer.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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.
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**
Firm's Registration No. 002808S

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

**B Mahidhar Krrishna**
**Partner**
Membership No. 243632
UDIN: 21243632AAAACZ5242

Place: Chennai
Date: 01 July 2021

**Annexure A to the Independent Auditor's report of even date to the members of Grandhi Enterprises Private Limited, on the financial statements for the year ended March 31, 2021**

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

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) As explained to us, property, plant and equipment have been physically verified by the management at regular intervals and no material discrepancies were noticed on such verification.

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

(ii) The Company does not have inventory as at the balance sheet date and hence reporting under clause 3(ii) of the Order is not applicable.

(iii) The Company has granted loans, secured or unsecured to parties covered in the register maintained under section 189 of the Act and this regard:

(a) The terms and conditions of the grant of such loans are not prejudicial to the Company's interest

(b) The schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations.

(c) There is no overdue amount for more than ninety days.

(iv) In our opinion, the Company is a registered Non-Banking Finance Company ("NBFC") under section 45-IA of the Reserve Bank of India ("RBI") Act, 1934 to which the provisions of section 185 and 186 except sub-section (1) of section 186 of the Act, are not applicable. In our opinion and according to the explanations given to us, during the year, the Company has not made any investments through more than two layers of investment companies as mentioned in sub-section (1) of section 186 of the Act.

(v) The Company has not accepted any deposits from the public and hence the directives issued by RBI and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vi) The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act. Accordingly reporting under clause 3(vi) of the Order is not applicable.

(vii) According to the information and explanations given to us in respect of statutory dues:

(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and other material statutory dues applicable to it with appropriate authorities

(b) There were no undisputed amounts payable which were outstanding as on March 31, 2021 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) The Company does not have loans or borrowings from financial institutions, Banks, Government, or dues to debenture holders. Accordingly, reporting under clause 3(x) of the Order is not applicable.

(ix) The Company has not raised any money by way of initial public offer or further public offer including debt instruments and term loans. In our opinion and according to information and explanations given to us, the Company has utilised the money for the purposes for which they were raised.

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) The Company is a Private company and accordingly reporting under clause 3(xi) is not applicable.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) is not applicable.

(xiii) In our opinion all transactions with related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Accounting Standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, reporting under clause 3(xiv) of the Order is not applicable.

(xv) In our opinion, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, reporting under clause 3 (xv) of the Order is not applicable.

(xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

*for* **B. Purushottam & Co.**
**Chartered Accountants**
Firm's Registration No. 002808S

**B Mahidhar Krrishna**
**Partner**
Membership No. 243632
UDIN: 21243632AAAACZ5242

Place: Chennai
Date: 01 July 2021

**Annexure B: Independent Auditors' Report on the Internal Financial Controls with reference to the financial statements under clause (i) of sub-section (3) of section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the standalone financial statements of Grandhi Enterprises Private Limited ("the Company") for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

The Company's Board of Directors 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 for the Audit of Internal Financial Controls with Reference to Financial Statements**

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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

*for* **B. Purushottam & Co.**
**Chartered Accountants**
Firm's Registration No. 002808S

B Mal

**B Mahidhar Krrishna**
**Partner**
Membership No. 243632
UDIN: 21243632AAAACZ5242

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

Place: Chennai
Date: 01 July 2021

GRANDHI ENTERPRISES PRIVATE LIMITED
CIN :U67120KA1993PTC032115
Regd. Office : Skip House 25/1 Museum Road, Bengaluru - 560 025

Balance Sheet As At March 31, 2021

(Rs.in Lakhs)

| | Note No. | March 31, 2021 | March 31, 2020 |
|---|---|---|---|
| **ASSETS** | | | |
| **1. Financial Assets** | | | |
| a. Cash and Cash Equivalents | 3 | 36.50 | 274.47 |
| b. Receivables | | | |
| (I) Trade Receivables | 4 | 300.26 | 300.11 |
| c. Loans | 5 | 1,074.94 | 3,229.02 |
| d. Investments | 6 | 3,257.91 | 2,182.32 |
| e. Other financial assets | 7 | 247.17 | 125.68 |
| **2. Non-Financial Assets** | | | |
| a. Current Tax assets (Net) | 8 | 95.18 | 994.62 |
| b. Property, Plant and Equipment | 9 | 2,201.02 | 2,245.51 |
| c. Other Non-Financial Assets | 10 | - | 4.13 |
| **Total assets** | | 7,212.98 | 9,355.84 |
| **LIABILITIES AND EQUITY** | | | |
| **LIABILITIES** | | | |
| **1. Financial liabilities** | | | |
| a. Payables | | | |
| Trade Payables | | | |
| (I) total outstanding dues of micro enterprises and small enterprises | | - | - |
| (II) total outstanding dues of creditors other than micro enterprises and small enterprises | 11 | 47.61 | 4.47 |
| b. Borrowings (other than debt securities) | 12 | 2,919.90 | 5,968.22 |
| c. Other Financial Liabilities | 13 | 1,111.26 | 694.09 |
| **2. Non-financial liabilities** | | | |
| a. Provisions | 14 | 204.42 | 311.86 |
| b. Other Non-Financial Liabilities | 15 | 10.47 | 15.66 |
| **3 EQUITY** | | | |
| a. Equity Share Capital | 16(a) | 2,510.00 | 2,510.00 |
| b. Other Equity | 16(b) | 409.32 | (148.45) |
| **Total Liabilities and Equity** | | 7,212.98 | 9,355.84 |
| Summary of significant accounting Policies | 2 | | |

The accompanying notes are an integral part of Financial Statements

**As Per our report of even date attached**
**For B. Purushottam & Co.**
**Chartered Accountants**
Firm Registration No.002808S

**B. Mahidhar Krrishna**
**Partner**
**M.No.243632**

Place : New Delhi
Date : July 01, 2021

**For and on behalf of the Board of Directors of**
**Grandhi Enterprises Private Limited**

Sreemannarayana K
Director
DIN-01876402

SIS Ahmed
Independent Director
DIN-06498734

Aruna Kotturu
Company Secretary
M.No.A38802

GRANDHI ENTERPRISES PRIVATE LIMITED
CIN :U67120KA1993PTC032115
Regd. Office : Skip House 25/1 Museum Road, Bengaluru - 560 025

## Statement Of Profit and Loss For The Period Ended March 31, 2021

(Rs.in Lakhs)

| | Particulars | Note No. | March 31, 2021 | March 31, 2020 |
|---|---|---|---|---|
| | **Revenue From operations** | | | |
| i. | Interest Income | 17 | 223.46 | 76.43 |
| ii. | Dividend Income | 18 | 16.27 | 59.08 |
| iii. | Rental Income | 19 | 171.60 | 167.61 |
| iv | Net gain on fair value changes | 20 | 522.89 | 12.41 |
| v | Profit on sale of investment | 21 | 87.94 | - |
| vi | Recovery of Bad Debts Written off | 22 | 839.62 | - |
| I | **Total revenue from operations** | | **1,861.79** | **315.53** |
| II | Other Income | 23 | 215.55 | 1.16 |
| III | **Total Income (I + II)** | | **2,077.34** | **316.69** |
| | **Expenses** | | | |
| i. | Finance Costs | 24 | 425.99 | 529.26 |
| ii. | Depreciation, Amortisation and Impairment | 9 | 44.49 | 44.49 |
| iii. | Others expenses | 25 | 306.28 | 465.54 |
| IV | **Total Expenses** | | **776.76** | **1,039.28** |
| V | **Profit / (loss) before exceptional items and tax (III - IV)** | | **1,300.58** | **(722.60)** |
| VI | Exceptional Items | | - | - |
| VII | **Profit / (loss) before tax (V - VI)** | | **1,300.58** | **(722.60)** |
| VIII | Tax expense: | | | |
| | Current tax | | - | - |
| | Adjustment of Tax Releting to Earlier Periods | | 859.30 | - |
| | Deferred Tax | | - | - |
| IX | **Profit / (loss) for the year (V - VI)** | | **441.28** | **(722.60)** |
| IX | **Other Comprehensive Income** | | | |
| (a) | **(i) Items that will not be reclassified to profit or loss (specify items and amounts)** | | | |
| | (a) Remeasurements gain/(loss) of the defined benefit plans | | - | - |
| | (b) Equity instruments through other comprehensive income including sale of investments | | **116.49** | **(215.28)** |
| | **(ii) Income tax relating to items that will not be reclassified to profit or loss** | | - | - |
| | **Other Comprehensive Income** | | **116.49** | **(215.28)** |
| X | **Total Comprehensive Income for the year** | | **557.77** | **(937.88)** |
| XI | | | | |
| | **Earnings per equity share (from continuing operations)** | 30 | | |
| | Basic (Rs.) | | **2.22** | **(3.74)** |
| | Diluted (Rs.) | | | |
| | Summary of significant accounting Policies | 2 | | |

The accompanying notes are an integral part of Financial Statements

**As Per our report of even date attached**
**For B. Purushottam & Co.**
**Chartered Accountants**
Firm Registration No.002808S

**B. Mahidhar Krrishna**
Partner
M.No.243632

Place : New Delhi
Date : July 01, 2021

**For and on behalf of the Board of Directors of**
**Grandhi Enterprises Private Limited**

Sreemannarayana K
Director
DIN-01876402

SIS Ahmed
Independent Director
DIN-06498734

Aruna Kotturu
Company Secretary
M.No.A38802

GRANDHI ENTERPRISES PRIVATE LIMITED
Regd.Office : 25/1, Museum Road
Bengaluru - 560 025
CIN :U67120KA1993PTC032115

## Statement of changes in equity for the year ended March 31, 2021

### A. Equity Share Capital

| Particulars | March 31, 2021 | | March 31, 2020 | |
|---|---|---|---|---|
| | No. of Shares | Rs in lakhs | No. of Shares | Rs in lakhs |
| Balance as at the beginning of the year | 25,100,000 | 2,510.00 | 25,100,000 | 2,510.00 |
| Add : Shares issued during the year | - | - | - | - |
| Balance as at the end of the year | 25,100,000 | 2,510.00 | 25,100,000 | 2,510.00 |

### B. Other Equity

Rs in lakhs

| Particulars | Reserves and Surplus | | | Equity Instruments through Other Comprehensive Income | Total |
|---|---|---|---|---|---|
| | Capital Reserve | Special Reserve U/s 45 IC of RBI Act | Retained Earnings | | |
| **Balance as at April 1, 2019** | **1,925.69** | **1,444.39** | (2,423.75) | (156.90) | 789.43 |
| Profit / (Loss) for the year | - | - | (722.60) | | (722.60) |
| Other Comprehensive Income for the year (net of tax) | | | | (215.28) | (215.28) |
| Effect of measuring Equity Instruments at Fair Value through OCI | - | - | - | | - |
| Total Comprehensive Income for the year | - | - | (722.60) | (215.28) | (937.88) |
| **Balance as at March 31, 2020** | **1,925.69** | **1,444.39** | (3,146.35) | (372.19) | -148.45 |
| Profit / (Loss) for the year | - | - | 441.28 | - | 441.28 |
| Other Comprehensive Income for the year (net of tax) | - | - | - | 116.49 | 116.49 |
| Transfer to Special Reserve U/s 45IC of RBI Act | | 88.26 | (88.26) | | - |
| Effect of measuring Equity Instruments at Fair Value through OCI | - | - | - | - | - |
| Total Comprehensive Income for the year | - | 88.26 | 353.02 | 116.49 | 557.77 |
| Premium received on issue of shares | - | | - | - | - |
| **Balance as at March 31, 2021** | 1,925.69 | 1,532.65 | (2,793.32) | (255.70) | 409.32 |

The accompanying notes are an integral part of Financial Statements

**As Per our report of even date attached**
**For B. Purushottam & Co.**
**Chartered Accountants**
Firm Registration No.002808S

**For and on behalf of the Board of Directors of**
**Grandhi Enterprises Private Limited**

B. Mahidhar Krrishna
Partner
M.No.243632

Sreemannarayana K
Director
DIN-01876402

SIS Ahmed
Independent Director
DIN-06498734

Aruna Kotturu
Company Secretary
M.No.A38802

Place : New Delhi
Date : July 01, 2021

GRANDHI ENTERPRISES PVT. LTD.

GRANDHI ENTERPRISES PRIVATE LIMITED
CIN :U67120KA1993PTC032115
Regd. Office : Skip House 25/1 Museum Road, Bengaluru - 560 025

## Cash Flow Statement for the year ended March 31, 2021

Rs. In Lakhs

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Net Profit before Taxation & Extraordinary Items | 1,300.58 | (722.60) |
| **Adjustments for:** | | |
| Depreciation | 44.49 | 44.49 |
| Interest & Financial Charges | 425.99 | 529.26 |
| Other Comprehensive income/loss | 116.49 | (215.28) |
| **Operating profit before working capital changes** | 1,887.54 | (364.13) |
| (Increase)/Decrease in trade receivables | (0.15) | 2.46 |
| (Increase)/Decrease in Loans | 2,154.08 | (2,077.72) |
| (Increase)/Decrease in Other financial assets | (121.49) | 60.98 |
| (Increase)/Decrease in Other non financial assets | 4.13 | (2.48) |
| Increase/(Decrease) in Trade Payable | 43.14 | 3.25 |
| Increase/(Decrease) in Non Current provisions | (107.44) | 84.12 |
| Increase/(Decrease) in Other Financial liability | 417.18 | (1,694.67) |
| Increase/(Decrease) in Other Non Financial liability | (5.19) | (41.99) |
| | 4,271.80 | (4,030.20) |
| Taxes (paid) / Refunds | 40.14 | 20.15 |
| **Net Cash Flow from Operating Activities** | 4,311.94 | (4,010.05) |
| **B. CASH FLOW FROM INVESTMENT ACTIVITIES** | | |
| (Purchase)/Sale of Investments(Net) | (1,075.59) | 4,358.12 |
| **Net Cash Flow from Investing Activities** | (1,075.59) | 4,358.12 |
| **C. CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Interest & Financial Charges | (425.99) | (529.26) |
| Loans repaid_Long Term Borrowings | (3,048.33) | 445.47 |
| **Net Cash Flow from Financing Activities** | (3,474.31) | (83.79) |
| **Net Increase in cash and cash equivalents** | (237.97) | 264.28 |
| **Cash & Cash Equivalents at the beginning of the year** | 274.47 | 10.19 |
| **Cash & Cash Equivalents at the end of the year** | 36.50 | 274.47 |

Notes forming part of the Financial Statements

Note:

1. The above cashflow statement has been prepared under the 'Indirect Method' as set out in the IND AS - 7 on cashflow statements as referred to in section 133 of the Companies Act, 2013.

2. The above cashflow statement has been compiled from and is based on the Balance Sheet as at March 31, 2021 and the related statement of profit and loss for the year ended on that date.

**As Per our report of even date attached**
**For B. Purushottam & Co.**
**Chartered Accountants**
Firm Registration No.002808S

B. Mahidhar Krrishna
Partner
M.No.243632

For and on behalf of the Board of Directors of
Grandhi Enterprises Private Limited

Sreemannarayana K
Director
DIN-01876402

SIS Ahmed
Independent Director
DIN-06498734

Aruna Kotturu
Company Secretary
M.No.A38802

Place : New Delhi
Date : July 01, 2021

GRANDHI ENTERPRISES PRIVATE LIMITED
CIN :U67120KA1993PTC032115
Regd. Office : Skip House 25/1 Museum Road, Bengaluru - 560 025

## Notes to financial statements for the year ended March 31, 2021

### 1. Corporate Information

Grandhi Enterprises Private Limited ("GREPL or the Company") was incorporated on April 07, 1993 as investing company. The company got registered as Non-Banking Financial Institution i.e. Systematically Important Not Deposit taking Company (NBFC-ND-SI) and has been granted certificate of registration by Reserve Bank of India (RBI).

These financial statement were approved by the Board of Directors in their meeting held on June 30, 2021 adjourned to July 01, 2021

### 2. Significant Accounting Policies

#### 2.1. Statement of Compliance and Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. Any application guidance/ clarifications/ directions issued by The Reserve Bank of India (RBI) or other regulators are implemented as and when they are issued/ applicable

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

The financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Company's functional currency. All amounts are rounded-off to the nearest lakhs, unless otherwise indicated.

#### 2.2. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or
b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS

GRANDHI ENTERPRISES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**2.3. Revenue from Contract with Customers**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

**Interest Income**

Interest income is recognised on a time proportion basis taking into account the amount of outstanding and the rate applicable

Interest Income is recognised using the effective interest rate (EIR) method. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the instrument.

**Dividend Income**

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

**Fees and commission**

Fee based income are recognised when they become measurable and when it is probable to expect their ultimate collection.

Commission and brokerage income earned for the services rendered are recognised as and when they are due.

**2.4. Taxes on Income**

Current income tax

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised

PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS

GRANDHI ENTERPRISES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

2.5. Property, plant and equipment

Freehold land is carried at historical cost and is not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

| Category of asset* | Estimated useful life |
|---|---|
| Office Buildings | 60 years |
| Plant and equipment | 4 – 15 years |
| Office equipment | 5 years |
| Furniture and fixtures | 10 years |
| Vehicles | 8 – 10 years |
| Computers | 3 years |

Leasehold improvements are depreciated over the period of lease or estimated useful life, whichever is lower, on straight line basis.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

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

2.6. Finance Costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed:

a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows.

c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method.

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## Notes to financial statements for the year ended March 31, 2021

### 2.7. Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognised for that asset or cash-generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### 2.8. Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

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 recognised 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 recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

Provisions and contingent liability are reviewed at each balance sheet.

### 2.9. Retirement and other employee benefits

Company does not have any employees on its rolls

### 2.10. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

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## Notes to financial statements for the year ended March 31, 2021

Investment in equity instruments issued by subsidiaries and joint ventures are measured at cost less impairment.

Investment in preference shares/debentures of the subsidiaries are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares/debentures not meeting the aforesaid conditions are classified as debt instruments at amortised cost.

**Effective Interest method**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

**Financial assets**

**I. Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**II. Financial assets measured at fair value**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the shorter maturity of these instruments.

**Assets**

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the statement of profit of loss.

The Company follows the regulatory framework prescribed by Reserve Bank of India (RBI) for recognising Special Mention Accounts/NPAs from time to time. In identifying the default in its trade receivables and loans extended, including instructions and guidelines RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 on March 13, 2020 with respect to the implementation of Ind AS by NBFCs. According to the guidelines, NBFCs, *inter alia*, are to hold impairment allowances as required by Ind AS but are also to maintain the asset classification and compute provisions as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) including borrower/beneficiary wise classification, provisioning for standard as well as restructured assets, NPA ageing, etc. The guidelines and instructions also require that where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs is to appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'.

The Company's policy to regularly review its model in the context of actual loss experience and adjust when necessary.

PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS

GRANDHI ENTERPRISES PVT. LTD.

## Notes to financial statements for the year ended March 31, 2021

The company recognises impairment loss on trade receivables and advances as per RBI stipulated rates or as per expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Impairment loss on investments, whichever is higher. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

**iii. De-recognition of financial assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amounts measured at the date of de-recognition and the consideration received is recognised in statement of profit or loss.

**Trade Receivables and Loans:**

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the Effective Interest Rate ("EIR") method net of any Expected Credit Losses ("ECL"). The EIR is the rate that discounts estimated future cash Income through the expected life of financial instrument.

**Financial liabilities and equity instruments**

**i. Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**ii. Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

**iii. Financial Liabilities**

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**iv. Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

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## Notes to financial statements for the year ended March 31, 2021

### v. De-recognition

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

### Off-setting of financial instruments

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

### 2.11. Cash and cash equivalents

Cash and cash equivalent in the standalone balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### 2.12. Statement of Cash Flow

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management. .

### 2.13. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

PURUSHOTTAMA CHARTERED ACCOUNTANTS

GRANDHI ENTERPRISES PVT. LTD. ★

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Notes to financial statements for the year ended March 31, 2021 ( Rs. In Lakhs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| **3 Cash and cash equivalents:** | | |
| i) Balances with banks | 36.50 | 274.47 |
| ii) Cash In Hand | - | - |
| **Total** | **36.50** | **274.47** |
| **4 Trade Receivables** | | |
| i) Considered Good- Unsecured | 300.26 | 300.11 |
| **Total** | **300.26** | **300.11** |
| **5 Loans and advances:** | | |
| Loans Repayable on demand | | |
| At amortised cost | | |
| i) Loans and advances to related parties - Unsecured | 983.64 | 287.72 |
| ii) Loans to Others - Unsecured | 91.30 | 2,941.30 |
| **Total** | **1,074.94** | **3,229.02** |
| **Loans within India** | | |
| a) Loans & Advances to Public Sector | - | - |
| b) Loans & Advances to Others | 1,074.94 | 3,229.02 |
| **Loans outside India** | - | - |
| **Total** | **1,074.94** | **3,229.02** |

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Notes to financial statements for the year ended March 31, 2021

6 Investments

( Rs. In Lakhs)

| Particulars | No of Shares | Face Value | March 31, 2021 | March 31, 2020 |
|---|---|---|---|---|
| **At Fair value through OCI** | | | | |
| **Equity Instruments** | | | | |
| **Quoted** | | | | |
| Bharat Road Network Ltd | 237,000 | 10 | 67.90 | 78.33 |
| Karnataka Bank Limited | 34,800 | 10 | 21.26 | 14.63 |
| EID Parry (India) Ltd | 67,038 | 1 | 213.42 | 93.22 |
| Indian Overseas Bank | 1,000 | 10 | 0.16 | 0.07 |
| **At Cost** | | | | |
| **Unquoted** | | | | |
| Lexicon Finance Limited | 65,000 | 10 | 6.50 | 6.50 |
| Sri Varalakshmi Motors Private | 250,000 | 10 | 25.00 | 25.00 |
| Medicon Marketing Pvt Ltd | 327,500 | 10 | 0.00 | 0.00 |
| Vasavi Prosoft Transcription Ltd | 50,000 | 10 | - | 0.00 |
| Vemagiri Power Services Ltd | 22,000 | 10 | 2.20 | 2.20 |
| VIL International Ltd | 60,000 | 10 | 6.00 | 6.00 |
| Sai Rayalaseema Paper Mills Limited | 323,210 | 10 | 39.37 | 39.37 |
| Less: Provision for Impairment in value of investments | | | (6.50) | (6.50) |
| **-Others** | | | | |
| Unquoted | | | | |
| In Group Companies | | | | |
| GMR Energy Trading Ltd | 2 | 10 | - | - |
| **Amortised cost** | | | | |
| **Preference Shares** | | | | |
| Lexicon Finance Limited | 25,000 | 10 | 2.50 | 2.50 |
| Less: Provision for Impairment in value of investments | | | (2.50) | (2.50) |
| **Others- FVTPL** | | | | |
| Faering Capital Evolving Fund I | 38,886 | | 531.84 | 348.05 |
| Faering Capital Evolving Fund II | 194,760 | | 2,350.75 | 1,575.44 |
| **Total** | | | 3,257.91 | 2,182.32 |
| i)Investments In India | | | 3,257.91 | 2,182.32 |
| ii)Investments in Outside India | | | - | - |
| **Total** | | | 3,257.91 | 2,182.32 |

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Notes to financial statements for the year ended March 31, 2021 ( Rs. In Lakhs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| **7 Other financial assets** | | |
| i) Interest Accrued On Loans and Debentures | 225.01 | 71.79 |
| ii) Electricity Deposit | 2.01 | 2.01 |
| iii) Rent Receivable | 18.36 | 33.56 |
| iv) Lease Equilisation / Deferred Lease Incentive | 1.80 | 18.32 |
| **Total** | **247.17** | **125.68** |
| **8 Current Tax Assets (Net)** | | |
| i) Advance payment of Income Tax (Net of provisions) | 95.18 | 994.62 |
| **Total** | **95.18** | **994.62** |

PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS

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Notes to financial statements for the year ended March 31, 2021

## 9 Property , Plant and Equipment

( Rs. In Lakhs)

| Particulars | Buildings | Total |
|---|---|---|
| **Grooss Block ( at cost/deemed cost) as at April 1, 2019** | 2,669.28 | 2,669.28 |
| Additions during the year | - | - |
| Disposals | - | - |
| **Gross Block as at March 31, 2020** | **2,669.28** | 2,669.28 |
| **Depreciation** | | |
| **As at April 1, 2019** | 379.29 | 379.29 |
| Charge for the year | 44.49 | 44.49 |
| Disposals | | - |
| **As at March 31, 2020** | **423.78** | 423.78 |
| **Net Block as at March 31, 2020** | **2,245.51** | **2,245.51** |
| **Grooss Block ( at cost/deemed cost) as at April 1, 2020** | 2,669.28 | 2,669.28 |
| Additions during the year | | - |
| Disposals | | - |
| **Gross Block as at March 31, 2021** | **2,669.28** | **2,669.29** |
| **Depreciation** | | |
| **As at April 1, 2020** | 423.78 | 423.78 |
| Charge for the year | 44.49 | 44.49 |
| Disposals | - | - |
| **As at March 31, 2021** | **468.27** | **423.78** |
| **Net Block as at March 31, 2021** | **2,201.02** | **2,245.51** |

The company has offered its property situated at Bandra Kurla Complex, Mumbai as security to IFCI Limited for the Loan availed by a fellow subsidiary GMR Infrastructure Ltd and the company also issued Corporate Guarantee to IFCI Ltd and the CG liability is limited to the value of the property offered as security

GRANDHI ENTERPRISES PRIVATE LIMITED
CIN :U67120KA1993PTC032115
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Notes to financial statements for the year ended March 31, 2021 (Rs. In Lakhs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| **10 Other Non-Financial Assets** | | |
| i) Prepaid expenses (insurance) | - | 2.78 |
| ii) GST Receivable | - | 1.35 |
| **Total** | **-** | **4.13** |
| **11 Trade Payables** | | |
| i) Total outstanding dues of creditors other than micro enterprises and small enterprises | 47.61 | 4.47 |
| **Total** | **47.61** | **4.47** |
| **12 Borrowings (other than debt securities)** | | |
| At amortised cost | | |
| **i) Loans From Related Parties** | | |
| Group Companies- Unsecured | 2,704.90 | 5,753.22 |
| **ii) Loans From Others** | | |
| Other- Unsecured | 215.00 | 215.00 |
| **Total** | **2,919.90** | **5,968.22** |
| Unsecured loan availed from the holding company Rs. 2,704.90 Lakhs ( March' 2020: Rs. 5,753.22 Lakhs) with 10.50% rate of interest and the loan is repayable in March' 2022 Unsecured loan availed from the Group company Rs. 215.00 Lakhs ( March' 2020 : Rs. 165 Lakhs) with 11.90 % rate of interest and the loan is repayable on April'2021 | | |
| **13 Other Financial Liabilities** | | |
| i) Audit Fees Payable | 0.46 | 0.54 |
| ii) Rent Deposit | 122.69 | 113.08 |
| iii) Interest accrued and due on Loans | 988.11 | 580.47 |
| **Total** | **1,111.26** | **694.09** |
| **14 Provisions** | | |
| i) Doubtful debts | 169.82 | 298.50 |
| ii) Substandard Asset Provision | 30.00 | - |
| iii) Provision as per RBI norms | 4.60 | 13.36 |

PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS

GRANDHI ENTERPRISES PVT. LTD.

GRANDHI ENTERPRISES PRIVATE LIMITED
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Notes to financial statements for the year ended March 31, 2021 ( Rs. In Lakhs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Total | 204.42 | 311.86 |
| 15 Other Non Financial Liabilities | | |
| i) TDS Payable | 7.94 | 5.21 |
| ii) GST Payable | 0.99 | - |
| iii) Deferred Account - Security Deposit of GMR Airports | 1.54 | 10.44 |
| Total | 10.47 | 15.66 |

PURUSHOTTAM CHARTERED ACCOUNTANTS

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Notes to financial statements for the year ended March 31, 2021

**16(a) Equity Share Capital:** ( Rs. In Lakhs)

| Particulars | March 31, 2021 | | March 31, 2020 | |
|---|---|---|---|---|
| | No. of Shares | Rs. Lakhs | No. of Shares | Rs. Lakhs |
| Authorized: | | | | |
| Equity shares of Rs.10/- each | 25,100,000 | 2,510.00 | 25,100,000 | 2,510.00 |
| | | 2,510.00 | | 2,510.00 |
| **Issued, subscribed and fully paid up:** | | | | |
| *Equity shares of Rs.10 /- each* | | | | |
| At the beginning of the reporting period* | 25,100,000 | 2,510.00 | 25,100,000 | 2,510.00 |
| | - | - | - | - |
| Bought back during the reporting period | - | - | - | - |
| Outstanding at the end of the year | 25,100,000 | 2,510.00 | 25,100,000 | 2,510.00 |

**a) Reconciliation of the Equity Shares outstanding at the beginning and at the end** ( Rs. In Lakhs)

| Particulars | March 31, 2021 | | March 31, 2020 | |
|---|---|---|---|---|
| | No of Shares | Rs. Lakhs | No of Shares | Rs. Lakhs |
| Opening Balance | 25,100,000 | 2,510.00 | 25,100,000 | 2,510.00 |
| Shares Issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Closing Balance | 25,100,000 | 2,510.00 | 25,100,000 | 2,510.00 |

**b) 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.

***c) Details of Equity Share Holders more than 5% shares in the Company*** ( Rs. In Lakhs)

| Name of the Share Holders | March 31, 2021 | | March 31, 2020 | |
|---|---|---|---|---|
| | No. of Shares | Amount | No. of Shares | Amount |
| a.GMR Enterprises Pvt Ltd | 25,100,000 | 100% | 25,100,000 | 100% |

As per record of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

PURUSHOTTAM & ... CHARTERED ACCOUNTANTS

GRANDHI ENTERPRISES PVT. LTD.

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**Notes to financial statements for the year ended March 31, 2021**

* Upon amalgamation of Rajam Enterprises Pvt. Ltd with the Company, as per scheme of arrangment the company needs to allot Rs. 10 Lakhs value shares to the share holders of Rajam Enterprises Pvt Ltd., i.e GMR Enterprises Pvt Ltd and Mr.Ravi Majeti, the allotment on March 29, 2021 and the same is pending to credited in depository records, how ever as per scheme of arrangement we have considered Rs. 10 Lakhs shares in the books of acounts from March 30, 2018 ( Scheme appointed date)

16(b) Other Equity (Rs. In Lakhs)

| | Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|---|
| (A) | **Capital Reserve during the Merger** | 1,925.69 | 1,925.69 |
| (B) | **Special Reserve U/s 45 IC of RBI Act** | | |
| | Opening Balance | 1,444.39 | 1,444.39 |
| | Received during the year | 88.26 | - |
| | Utilised During the Year | - | - |
| | | 1,532.65 | 1,444.39 |
| ( C) | **Retained Earnings** | | |
| | Opening Balance | (3,146.35) | (2,423.75) |
| | Add/(Less) : Profit / (Loss) for the year | 441.28 | (722.60) |
| | (Add)/Less :Transfer to Special Reserve U/s 45IC of RBI Act | (88.26) | - |
| | Closing Balance | (2,793.32) | (3,146.35) |
| (D) | **Equity Instruments through Other Comprehensive Income** | | |
| | Opening Balance | (372.19) | (156.90) |
| | Add/(Less) : Effect of measuring Equity Instruments at Fair Value | 116.49 | (215.28) |
| | Closing Balance | (255.70) | (372.19) |
| | Total ( A+B+C+D) | 409.32 | (148.45) |

**Nature and purpose of reserve**

The description of the nature and purpose of each reserve within equity is as follows :

i. **Equity component of compound financial instrument**
Equity Component of Compound Financial Instruments represent residual amount after deducting liability component from the fair value of the compound financial instruments.

ii. **Capital Reserve** arised on account of Rajam Enterprises Pvt. Ltd Merger with the the Company during the F.Y 2019-2020

iii. **Securities Premium**
Securities Premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

iv. **Retained Earnings**
Retained Earnings are the profits that the Company has earned till date, less any transfer to General Reserve, dividends or other distributions paid to shareholders.

v. **Equity Instruments through Other Comprehensive Income**
The fair value change of the equity instruments measured at fair value through Other Comprehensive Income is recognised and reflected under Equity Instruments through Other Comprehensive Income. On disposal, the cumulative fair value changes on the said instruments are reclassified to Retained Earnings.

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Notes to financial statements for the year ended March 31, 2021

(Rs. In Lakhs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| 17 **Interest income** | | |
| i) Interest income from Loans and advances | 214.14 | 67.09 |
| ii) Interest income from Deposit | 9.32 | 9.35 |
| **Total** | **223.46** | **76.43** |
| 18 **Dividend Income:** | | |
| i) From Shares | - | 3.07 |
| ii) From Venture Investments | 16.27 | 56.01 |
| **Total** | **16.27** | **59.08** |
| 19 **Rental Income** | | |
| i) GMR Airports Ltd | 163.68 | 162.79 |
| ii) GMR Highways Ltd | 4.02 | 4.82 |
| iii) GMR Infra Services Ltd | 3.86 | - |
| iv) GMR Infra Developers Pvt Ltd | 0.05 | - |
| **Total** | **171.60** | **167.61** |
| 20 **Net gain on fair value changes** | | |
| Faering Capital Evolving Fund I | 233.70 | (183.22) |
| Faering Capital Evolving Fund II | 289.19 | 195.63 |
| **Total** | **522.89** | **12.41** |
| 21 **Profit on sale of investment** | | |
| Income From Sale of Units in Investment Fund | 63.10 | - |
| Income From Sale of Shares | 24.84 | - |
| **Total** | **87.94** | - |
| 22 **Recovery of Bad Debts Written off** | | |
| Recovery of Bad Debts Written Off | 839.62 | - |
| **Total** | **839.62** | - |
| 23 **Other income (to be specified)** | | |
| Interest on IT Refund | 4.55 | 1.11 |
| Interest recd on deposit | - | 0.05 |
| Reversal of Bad debts provision | 210.00 | - |
| Other Income | 1.00 | - |
| **Total** | **215.55** | **1.16** |
| 24 **Finance costs** | | |
| On financial liabilities measured at amortised cost | | |
| (i) Interest on loans | 425.42 | 527.67 |
| (ii) Interest on delayed remittance of tax | 0.47 | 1.55 |
| (iii) Bank Charges | 0.09 | 0.03 |
| **Total** | **425.99** | **529.26** |

PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS

GRANDHI ENTERPRISES PVT. LTD.

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Notes to financial statements for the year ended March 31, 2021

( Rs. In Lakhs)

| Particulars | | March 31, 2021 | March 31, 2020 |
|---|---|---|---|
| **25 Other expenses** | | | |
| i) | Advertisement Expenses | - | 0.33 |
| ii) | Bad Debts Written off | 210.00 | 156.96 |
| iii) | Brockarage & Commission | 0.29 | - |
| iv) | Conveyance Expenses | - | 0.31 |
| v) | Director Sitting Fee | 0.15 | 0.45 |
| vi) | Demat expenses | 0.14 | 0.20 |
| vii) | Fund Management fee | (22.70) | - |
| viii) | Insurance Charges | 2.78 | 1.68 |
| ix) | Loss on sale of shares | - | 259.30 |
| x) | Loss on sale of Mutual Fund | - | 9.09 |
| xi) | Membership Registration Expenses | 0.23 | 0.11 |
| xii) | Other expenses | 0.02 | 0.25 |
| xiii) | Office Maintenance | 0.67 | 0.67 |
| xiv) | Other Consultancy | 0.84 | 13.15 |
| xv) | Professional Charges | 13.73 | 1.82 |
| xvi) | Property Tax | 0.37 | 0.22 |
| xvii) | Rates & Taxes | 11.88 | 0.76 |
| xviii) | STT Paid | 0.35 | |
| xix) | Repairs and Maintenance | 13.50 | 10.68 |
| xx) | Provision u/s 45 JA of RBI Act | (8.75) | 8.97 |
| xxi) | Provision for Substandard Assets 10% of loa | 30.00 | - |
| xxii) | Audit Fee | 0.50 | 0.60 |
| xxiii) | Loss on venture capital | 52.29 | - |
| **Total** | | **306.28** | **465.54** |

Remunatation to Auditor

| Particular | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Audit Fees | 0.50 | 0.60 |
| **Total** | **0.50** | **0.60** |

PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS

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Notes to financial statements for the year ended March 31, 2021

26 Contingent Liabilities:

( Rs. In Lakhs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Corporate Guarantees | 2,669.29 | 2,669.29 |
| Grand Total | 2,669.29 | 2,669.29 |

27 Additional disclosures

A. Asset Classification and Provisioning:

Classification of Loans & Advances and provision made for standard /substandard / doubtful/ loss assets are as given below:

( Rs. In Lakhs)

| Classification of Assets | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Standard assets* | 1,150.78 | 3002.33 |
| Sub-standard assets | 300.00 | - |
| Doubtful assets | 169.82 | 298.50 |
| Total | 1,620.60 | 3,300.83 |
| Refer Note No. 4, 5 and Note No.7<br>*Including interest accrued on Loan and trade receivbles | | |

| Provision | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Standard assets | 4.60 | 13.36 |
| Sub-standard assets | 30.00 | - |
| Doubtful assets | 169.82 | 298.50 |
| Total | 204.42 | 311.86 |

B. Exposure to Real Estate Sector, Both Direct & Indirect

The Company does not have any direct or indirect exposure to the Real Estate Sector as at March 31, 2021.

C. Disclosures pursuant to Reserve Bank of India Notification DNBS.200/CGM (PK)-2008 dated 01st August, 2008

i. Capital to Risk asset ratio

( Rs. In Lakhs)

| Particular | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Tier I Capital | 2,227.61 | 2,309.98 |
| Tier II Capital | 4.60 | 13.36 |
| Total | 2,232.21 | 2,323.34 |
| Total Risk Weighted Assets | 8,590.60 | 11,140.00 |
| Tier I Capital as a percentage of Total Risk weighted Assets (%) | 25.93% | 20.74% |
| Tier II Capital as a percentage of Total Risk weighted Assets (%) | 0.05% | 0.12% |
| Total Capital as a percentage of Total Risk weighted Assets (%) | 25.98% | 20.86% |

PURUSHOTTAMA CHARTERED ACCOUNTANTS

GRANDHI ENTERPRISES PVT. LTD.

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Notes to financial statements for the year ended March 31, 2021

D. Balance of Provisions and Contingencies as on March 31, 2021

(Rs. In Lakhs)

| Provisions and Contingencies | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Provisions for Diminution on Investments | 9.00 | 9.00 |
| Provision towards NPA | - | - |
| Provision made towards Income tax | - | - |
| Other Provision and Contingencies | - | - |
| Provision for Standard Assets | 4.60 | 13.36 |
| Provision for Sub-standard assets | 30.00 | - |
| Provision for Doubtful Assets | 169.82 | 298.50 |

E. Maturity Pattern of Assets & Liablities ( Mar'2021)

(Rs. In Lakhs)

| S.No | Particulars | Liabilities | Assets |
|---|---|---|---|
| 1 | 0 day to 7 days | - | 36.50 |
| 2 | 8 days to 14 days | - | - |
| 3 | Over 14 days to one month | 9.40 | - |
| 4 | Over one month to 2 months | 47.61 | 0.29 |
| 5 | Over 2 months to 3 months | - | - |
| 6 | Over 3 Months upto 6 months | - | 300.03 |
| 7 | Over 6 Months upto 1 year | - | - |
| 8 | Over 1 year upto 3 years | 4,236.65 | 4,204.71 |
| 9 | Over 3 years upto 5 years | - | 470.49 |
| 10 | Over 5 years | 2,919.32 | 2,201.02 |
| | Grand Total | 7,212.98 | 7,213.04 |

PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS

GRANDHI ENTERPRISES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

F. Disclosure of frauds reported during the year vide DNBS PD.CC.NO.256/03.10.042 2012-13 dated March 02, 2012

(Rs. In Lakhs)

| Particulars | Less than Rs.1 lakh | | Rs.1 to Rs.5 lakh | | Rs.5 to Rs.25 lakh | | Total | |
|---|---|---|---|---|---|---|---|---|
| | No. of Accounts | Value | No. of Accounts | Value | No. of Accounts | Value | No. of Accounts | Value |
| A) Person involved | | | | | | | | |
| Staff | - | - | - | - | - | - | - | - |
| Customer | - | - | - | - | - | - | - | - |
| Staff and customer | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - |
| B) Type of fraud | | | | | | | | |
| Misappropriation and criminal breach of trust Fraudulent encashment/ Manipulation of books of accounts unauthorized credit facility extended Cheating and forgery | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - |
| C) Person involved | | | | | | | | |
| Staff | - | - | - | - | - | - | - | - |
| Customer | - | - | - | - | - | - | - | - |
| Staff and customer | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - |
| D) Type of fraud | | | | | | | | |
| Misappropriation and criminal breach of trust Fraudulent encashment/ Manipulation of books of accounts unauthorized credit facility extended Cheating and forgery | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - |

G. Other disclosures

(Rs. In Lakhs)

| S.No | Particulars | Amount Outstanding | Amount Overdue |
|---|---|---|---|
| (1) | Loans and advances availed by the Company inclusive of interest accrued there on but not paid: | | |
| | a) Debentures : Secured | Nil | Nil |
| | : Unsecured (other than falling within the meaning of public deposits) | Nil | Nil |
| | b) Deferred Credits | Nil | Nil |
| | c) Term Loans | Nil | Nil |
| | d) Inter-corporate loans and borrowing | 3,908.01 | Nil |
| | e) Commercial Paper | Nil | Nil |
| | f) Other Loans ( Loans from promoters) | Nil | Nil |

| S.No | Particulars | Amount Outstanding |
|---|---|---|
| (2) | Break-up of Loans and Advances including bills receivables ( Other than those included in (4)) below) | |
| | a) Secured | Nil |
| | b) Unsecured | 1,322.11 |
| (3) | Breakup for Leased Assets and stock on hire and other assets counting towards asset financing activities | |
| | (i) Lease assets including lease rentals under sundry debtors | |
| | (a) Financial lease | Nil |
| | (b) Operating lease | Nil |
| | (ii) Stock on hire including hire charges under sundry debtors | |
| | (a) Assets on hire | Nil |
| | (b) Repossessed Assets | Nil |
| | (iii) Other loans counting towards asset financing activities | |
| | (a) Loans where assets have been repossessed | Nil |
| | (b) Loans other than(a) above | Nil |
| (4) | Break-up of Investments: | |
| | Current Investments: | |
| | 1. Quoted: | |
| | (i) Shares: | |
| | (a) Equity | Nil |
| | (b) Preference | Nil |
| | (ii) Debentures and Bonds | Nil |
| | (iii) Units of Mutual Funds | Nil |
| | (iv) Government Securities | Nil |
| | (v) Others | Nil |
| | 2. Unquoted: | |
| | (i) Shares: | |
| | (a) Equity | Nil |
| | (b) Preference | Nil |
| | (ii) Debentures and Bonds | Nil |
| | (iii) Units of Mutual Funds | Nil |

PURUSHOTTAM & ... CHARTERED ACCOUNTANTS

GHANDHI ENTERPRISES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

(Rs. In Lakhs)

| | |
|---|---|
| (iv) **Government Securities** | Nil |
| (v) **Others** | Nil |
| **Long Term Investments:** | |
| 1 Quoted: | |
| (i) Shares: | 102.74 |
| (a) Equity | Nil |
| (b) Preference | Nil |
| (ii) Debentures and Bonds | Nil |
| (iii) Units of Mutual Funds | Nil |
| (iv) Government Securities | Nil |
| (v) Others | |
| 2. Unquoted: | |
| (i) Shares: | |
| (a) Equity | 72.57 |
| (b) Preference | Nil |
| (ii) Debentures and Bonds | Nil |
| (iii) Units of Mutual Funds | Nil |
| (iv) Government Securities | Nil |
| (v) Others | |
| Investment in LLP | Nil |
| Venture Capital Investment Fund | [illegible] |

(5) Borrower group-wise classification of assets financed as in (2) and (3) above

| Category | Amount net of provisions | | |
|---|---|---|---|
| | Secured | Unsecured | Total |
| 1. Related Parties | | | |
| (a) Subsidiaries | Nil | Nil | Nil |
| (b) Companies in the same group | Nil | 833.64 | 833.64 |
| (c) Other related parties | Nil | Nil | Nil |
| (d) Other than related parties | Nil | 241.30 | 241.30 |
| Total | Nil | 1,074.94 | 1,074.94 |

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (Both quoted and unquoted)

| Category | Market Value/Break up or fair value of NAV | Book Value (Net of Provision) |
|---|---|---|
| 1. Related Parties | | |
| (a) Subsidiaries | Nil | Nil |
| (b) Companies in the same group | Nil | Nil |
| (c) Other related parties | Nil | Nil |
| (d) Other than related parties | 3,257.91 | 3,257.91 |
| Total | 3,257.91 | 3,257.91 |

PURUSHOTTAM & CO CHARTERED ACCOUNTANTS Chennai 600 017

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Notes to financial statements for the year ended March 31, 2021

28 Other information

(Rs. In Lakhs)

| | Particulars | March 31, 2021 |
|---|---|---|
| | Gross Non-Performing Assets | |
| | (a) Related Parties | Nil |
| | (b) Other than related parties | 169.82 |
| (ii) | Net Non-Performing Assets | |
| | (a) Related Parties | Nil |
| | (b) Other than related parties | Nil |
| (iii) | Assets acquired in satisfaction of debt | Nil |

29 Related Party Transactions

| | | |
|---|---|---|
| (i) | **Directors and Key Management Personnel** | Mr. Sreemannarayana K - Director |
| | | Mr. SIS Ahmed -Independent Director |
| | | Ms. Aruna K -Company Secretory |
| | Holding Company | GMR Enterprises Pvt. Ltd. |
| (ii) | **Subsidiary Companies (Direct & Indirect) and others - Where transactions taken place** | |
| | | Cadence Enterprises Pvt Ltd |
| | | GMR League Games Private Limited |
| | | GMR Business & Consultancy LLP |
| | | GMR Airports Ltd |
| | | Kothavalsa Infraventures Pvt Ltd |
| | | Kondampeta Properties Pvt Ltd |
| | | Purak Infrastructure Services Pvt Ltd |
| | | GMR Infratech Pvt Ltd |
| | | GMR Highways Ltd |
| | | GMR Infra Developers Pvt Ltd |
| | | GMR Infra Services Pvt Ltd |
| | | GMR Property Property Developers Pvt Ltd |
| | | Hydearab Jabilli Properties Pvt Ltd |
| | | Ideaspace Solutions Pvt Ltd-Minority Share Holders Trust |
| | | Kirthi Timbers Pvt Ltd |
| | | Vijay Nivas Real Estates Pvt Ltd |
| | | GMR Infraventures LLP |
| | | GMR Highways Ltd |
| | | GMR League Games Pvt Ltd |
| | | Fabcity Properties Pvt Ltd |
| | | Corporate Infrastructure Services Pvt Ltd |
| | | Welfare Trust of GMR Infra Employees |
| | | GMR Bannerghatta Properties Pvt Ltd |

Summary of transactions with the above related parties:

A) Profit & Loss account during the year

(Rs. In Lakhs)

| Transactions | March 31, 2021 |
|---|---|
| Interest Paid | 389.02 |
| | (504.48) |
| Interest Income | 99.66 |
| | (46.59) |
| Rent Received | 171.60 |
| | (167.61) |

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Notes to financial statements for the year ended March 31, 2021

B) Other transactions during the year/ outstanding balances as on balance sheet date

| Transactions | Amount |
|---|---|
| Investments in Equity shares | Nil |
| | Nil |
| Disinvestments in Equity shares | Nil |
| | (4,637.60) |
| Loans Taken | 6,301.67 |
| | (8,421.50) |
| Loans Repaid | 9,349.99 |
| | (8,026.02) |
| Loans Taken Closing Balance | 2,704.90 |
| | (5,753.22) |
| Loans & Advances Given | 2,573.92 |
| | (127.22) |
| Loans & Advances Repayment received | 1,978.00 |
| | (644.50) |
| Loans & Advances Given Closing Balance | 833.64 |
| | (5,753.22) |
| Rent Deposit Payable | 122.69 |
| | (124.36) |
| Interest Receivable | 121.69 |
| | (71.81) |
| Interest Payable | 841.69 |
| | (457.71) |

a. Previous year figures are indicated in brackets

b. Transactions and outstanding balances in the nature of reimbursement of expenses incurred by one company on behalf of another have not been considered above.

30 (Profit) Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the (loss)/profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the (loss)/profit attributable to equity holder (after adjusting for dividend on the convertible preference shares) by the weighted average number of Equity Shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all dilutive potential Equity Shares into Equity Shares.

The following reflects the income and share data used in the basic and diluted EPS Computations:

( Rs. In Lakhs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Nominal Value of Equity Shares (Rs. per Share) | 10 | 10 |
| Total number of Equity Shares outstanding at the beginning of the year | 25,100,000 | 2,51,00,000 |
| Add:- Shares issued during the year | - | - |
| Less:- Shares cancelled during the year | - | - |
| Total number of Equity Shares outstanding at the end of the period / year | 25,100,000 | 2,51,00,000 |
| Weighted average number of Equity Shares outstanding at the end of the period / year | 25,100,000 | 2,51,00,000 |
| Net Profit (loss) after tax for the purpose of EPS ( Rs. Lakhs) | 557.77 | (937.88) |
| EPS - Basic & Diluted (Rs.) | 2.22 | (3.74) |

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31 Deferred Tax asset is not considered as a matter of prudence.

32 Other Information:

a.) Remuneration to Auditors

( Rs. In Lakhs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Audit fees (for the year) | 0.50 | 0.60 |
| Total | 0.50 | 0.60 |

b.) Expenditure in Foreign Currency

( Rs. In Lakhs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Professional and Consultancy Charges | Nil | Nil |
| Total | Nil | Nil |

33 The Company operates in a single segment i.e. Non-banking financial activity and hence there are no reportable segments as per the requirements of Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India.

34 **Capital Management**

The Company' capital management is intend to create value for shareholders by facilitating the meeting of long-term and short-term goals of the company

The Company determine the amount of capital required on the basic of annual business plan coupled with long-tem and short-tem strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and sale of certain assets, long tem and short term bank borrowings and issue on non-coveritable debt securities and strategic partnership with investors.

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference share, share premium, and all other equity reserves attributable to the equity holders of the company.

The Company manages its capital structure and makes adjustments in light of charges in economic conditions and the requirements of the financial convenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to share holders, return capital to share holders or issue new shares, The Company monitors capital using a gearing ratio , whic is total debt divided by total capial plus total debt. The Company's policy is to keep the gearing ratio at an optimum level to ensure that the debt related convenant are complied with.

( Rs. In Lakhs)

| Particular | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Borrowings ( refer note 12) | 2,919.90 | 5,968.22 |
| Total Debts (i) | 2,919.90 | 5,968.22 |
| **Capital Componanants** | | |
| Equity Share Capital | 2,510.00 | 2,510.00 |
| Other Equity | 409.32 | (148.45) |
| Convertible preference shares | - | - |
| **Total Capital (ii)** | 2,919.32 | 2,361.55 |
| **Capital and Borrowings (iii=i+ii)** | 5,839.21 | 8,329.77 |
| **Gearing Ratio (%) (i/iii)** | 50.00% | 71.65% |

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial convenants attached to the Interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial convenats would permit the bank to immediatly call loans and borrowings. There have been no material breaches in the financial convenats of any interest-bearing loans and borrowings in the current period.

No changes were made in the objectives, policies or processes of managing capital during the years ended March 31, 2021 and March 31, 02020.

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35 Disclosures on Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional informaiton on balance sheets items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in accouting policies, to the financial statements

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2021 and March 31, 2020

As at March 31, 2021 (Rs. In Lakhs)

| Particulars | Fair Value through other comprehansive income | Fair Value through statement of profit and loss | Amortised Cost | Total Carrying Value | Total Fair Value |
|---|---|---|---|---|---|
| **Financial assets** | | | | | |
| (i) Cash and Cash equivalents | - | - | 36.50 | 36.50 | 36.50 |
| (ii) Bank balances other than cash equivalents | - | - | - | - | - |
| (iii) Loans | - | - | 1,074.94 | 1,074.94 | 1,074.94 |
| (v) Investments | 537.45 | 116.49 | 2,603.96 | 3,257.91 | 3,257.91 |
| (v) Other financial assets | - | - | 525.01 | 525.01 | 525.01 |
| Total | 537.45 | 116.49 | 4,240.42 | 4,894.36 | 4,894.36 |
| **Financial liabilities** | | | | | |
| (i) Debt securities | - | - | - | - | - |
| (ii) Borrowings | - | - | 2,919.90 | 2,919.90 | 2,919.90 |
| (iii) Other financial liabilities | - | - | 1,158.88 | 1,158.88 | 1,158.88 |
| Total | - | - | 4,078.77 | 4,078.77 | 4,078.77 |

As at March 31, 2020 (Rs. In Lakhs)

| Particulars | Fair Value through other comprehansive income | Fair Value through statement of profit and loss | Amortised Cost | Total Carrying Value | Total Fair Value |
|---|---|---|---|---|---|
| **Financial assets** | | | | | |
| (i) Cash and Cash equivalents | - | - | 274.47 | 274.47 | 274.47 |
| (ii) Bank balances other than cash equivalents | - | - | - | - | - |
| (iii) Loans | - | - | 3,229.02 | 3,229.02 | 3,229.02 |
| (v) Investments | (101.93) | (215.28) | 2,499.53 | 2,182.32 | 2,182.32 |
| (v) Other financial assets | - | - | 371.79 | 371.79 | 371.79 |
| Total | (101.93) | (215.28) | 6,374.81 | 6,057.60 | 6,057.60 |
| **Financial liabilities** | | | | | |
| (i) Debt securities | - | - | - | - | - |
| (ii) Borrowings | - | - | 5,968.22 | 5,968.22 | 5,968.22 |
| (iii) Other financial liabilities | - | - | 698.56 | 698.56 | 698.56 |
| Total | - | - | 6,666.78 | 6,666.78 | 6,666.78 |

(b) Fair value hierarchy

The following table provides and anlysis of financial instruments that are measured subsequant to initial recognation at fair value, grouped into level 1 to level 3, as described below

(Rs. In Lakhs)

| Particular | Fair Value measurements using | | | |
|---|---|---|---|---|
| | Total | Level 1 | Level 2 | Level 3 |
| **March 31, 2021** | | | | |
| Financial assets measured at fair value | | | | |
| Investments in equity and debt securities | 3,257.91 | - | - | 3,257.91 |
| Investments in mutual funds | - | - | - | - |
| **March 31, 2020** | | | | |
| Financial assets measured at fair value | | | | |
| Investments in equity and debt securities | 2,182.32 | - | - | 2,182.32 |
| Investments in mutual funds | - | - | - | - |

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(i) Short term financial assets and liabilities are stated at carrying value which approximately equal to their fair value
(ii) Management uses its best judgement in estimating the fair value of finanical instrument. However, there are inherent limitations in any estimation technique. Thertore, for substaialy all financial instrument, the fair value estimates presented above are not necessarily indicative of the amounts that the company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iii) The fair values of the unquoted equity shares have been estimated using a DCF model which has determined based on available data for similar immovable property/investment or observble market prices less increamental cost for disposing of the immovable property/investments. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimates of fair value for these unquoted investments.

(iv) There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2021 and March 31, 2020.

**(c) Financial risk management objectives and policies**

In the course of its business, the Company is exposed primarily to fluctuations in interest rates, liquidity and credit risk, which may adversly impact the fair value of its financial instruments. The company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risk and credit risks. The risk managment policy is approved by the Board of Directors. The risk management framework aims to :

(i) Create stable business planning enviornment bu reducing the impact of currency and interest rates fluctuations on the Company's business plan

(ii) Achive greater predictability to earnings by determine the financial value of the expected earnings in advance

**Interest rate risk**

Interest rate risk is the risk the fair value or future cash flows of financial instrument will fluctuate beacause of changes in market interest risk. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short term debt obligations with floating interest rates.

The Company does not have any exposures to Interest rate risk since the Company does not have any variable rate Loans and borrowings

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows :

(Rs. in Lakhs)

| Particular | Increase/decrease in basis points | Effect on profit before tax |
|---|---|---|
| **March 31, 2021** | | |
| INR | +50 | - |
| INR | -50 | - |
| | | |
| **March 31, 2020** | | |
| INR | +50 | - |
| INR | -50 | - |

As at March 31, 2021 and March 30, 2020, the Company does not have any floating rate borrowings

**Credit risk**

Credit risk is risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Company is exposed to credit risk from its operating activities and from its operating activitles and from its financing activities, including deposits with banks and financial Institutions and other financial instruments.

Financial instruments and cash deposits-Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy investments of surplus funds are made only with approved counterparties and with in credit limits assigned to each conterparty. Conterpary credit limits are reveewed by the Company borad of Directors on annual basis, and may be updated through out the year subject to approval of tje Company's finance committe. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments.

**Liquidity risk**

Liquidity risk refers to the risk that the company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are avilable for use as per requirements. The Company has obtained fund and non fund based working capital lines from various banks. Further more, the Company has access to funds from debt markets through convertible debentures, non-convertible deventures, bonds and other debt instruments. The Company invests its surplus funds in bank fixed deposit and in mutual fund which carriers no or low market risk.

The company monitors its risk of shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares, sale of assets and strategic partnership with investors etc. The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period.

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36 Disclosure of information in annual financial statements as per guidelines prescribed in terms of Para 70 (2) and Annexure XIV of the RBI Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 (updated as on February 17, 2020)

a) Derivatives
The Company does not have any derivatives investment during the year
i) Forward Rate Agreement / Interest Rate Swap

(Rs. In Lakhs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| (i) The notional principal of swap agreements | Nil | Nil |
| (ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements | Nil | Nil |
| (iii) Collateral required by the applicable NBFC upon entering into swaps | Nil | Nil |
| (iv) Concentration of credit risk arising from the swaps | Nil | Nil |
| (v) The fair value of the swap book | Nil | Nil |

Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed. Examples of concentration could be exposures to particular industries or swaps with highly geared companies

ii) Exchange Traded Interest Rate (IR) Derivatives

(Rs. In Lakhs)

| Sl No | Particualrs | March 31, 2021 |
|---|---|---|
| (i) | Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise) | Nil |
| (ii) | Notional principal amount of exchange traded IR derivatives outstanding. (instrument-wise) | Nil |
| (iii) | Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise) | Nil |
| (iv) | Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise) | Nil |

iii) Disclosures on Risk Exposure in Derivatives
Qualitative Disclosure
There is no derivative investment during the year, further describe their risk management policies pertaining to derivatives with particular reference to the extent to which derivatives are used, the associated risks and business purposes served.

a) structured and organization of management of risk in derivatives trading
b) the policy shows scope and nature of risk measurement, risk reporting and risk monitoring systems in entire year
c) policies for hedging and mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges\mitigants and

d) accounting policy for recording hedge and non-hedge transactions; recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning, collateral and credit risk mitigation continuously reporting to Board of Directors.

iv) Quantitative Disclosures

(Rs. In Lakhs)

| SL No | Particular | Curreny Derivatives | Interest rate Derivatives |
|---|---|---|---|
| (i) | Derivatives | Nil | Nil |
| | For hedging | Nil | Nil |
| (ii) | Marked to Market Positions | | |
| | a) Assets | Nil | Nil |
| | b) Liability | Nil | Nil |
| (iii) | Credit Exposure | Nil | Nil |
| (iv) | Unhedged Exposure | Nil | Nil |

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v) Disclosures relating to Securitisation

There is no outstanding amount of securitised assets as per books of the SPVs sponsored by the NBFC and there is no amount of exposures retained by the NBFC as on the date of balance sheet to comply with the Minimum Retention Requirements (MRR).

( Rs. In Lakhs)

| Sl. No | | Particular | March 31, 2021 |
|---|---|---|---|
| i. | | No of SPVs sponsored by the applicable for securitisation transactions* | Nil |
| ii. | | Total amount of securitised assets as per books of the SPVs sponsored | Nil |
| iii. | | Total amount of exposures retained by the applicable to comply with MRR as on the date of balance sheet | |
| | a) | Off-balance sheet exposures | Nil |
| | | First loss | Nil |
| | | Others | Nil |
| | b) | On-balance sheet exposures | Nil |
| | | First loss | Nil |
| | | Others | Nil |
| iv. | | Amount of exposures to securitisation transactions other than MRR | Nil |
| | a) | Off-balance sheet exposures | |
| | | i) Exposure to own securitizations | |
| | | First loss | Nil |
| | | Others | Nil |
| | | ii) Exposure to third party securitisations | |
| | | First loss | Nil |
| | | Others | Nil |
| b) | | On-balance sheet exposures | |
| | | i) Exposure to own securitizations | |
| | | First loss | Nil |
| | | Others | Nil |
| | | ii) Exposure to third party securitisations | |
| | | First loss | Nil |
| | | Others | Nil |

b) Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

( Rs. In Lakhs)

| S.I. No | Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|---|
| i | No. of accounts | Nil | Nil |
| ii | Aggregate value (net of provisions) of accounts sold to SC / RC | Nil | Nil |
| iii | Aggregate consideration | Nil | Nil |
| iv | Additional consideration realized in respect of accounts transferred in earlier years | Nil | Nil |
| v | Aggregate gain / loss over net book value | Nil | Nil |

c) Details of Assignment transactions undertaken by applicable of the Company

( Rs. In Lakhs)

| S.I. No | Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|---|
| i | No. of accounts | Nil | Nil |
| ii | Aggregate value (net of provisions) of accounts sold | Nil | Nil |
| iii | Aggregate consideration | Nil | Nil |
| iv | Additional consideration realized in respect of accounts transferred in earlier years | Nil | Nil |
| v | Aggregate gain / loss over net book value | Nil | Nil |

d) Details of non-performing financial assets purchased / sold

There is no purchase of non-performing financial assets from other NBFCs during the year

A. Details of non-performing financial assets purchased :

( Rs. In Lakhs)

| S.I. No | Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|---|
| 1 | (a) No. of accounts purchased during the year | Nil | Nil |
| | (b) Aggregate outstanding | Nil | Nil |
| 2 | (a) Of these, number of accounts restructured during the year | Nil | Nil |
| | (b) Aggregate outstanding | Nil | Nil |

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ii. Details of Non-performing Financial Assets sold :

( Rs. In Lakhs)

| S.I. No | Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|---|
| 1 | No. of accounts sold | Nil | Nil |
| 2 | Aggregate outstanding | Nil | Nil |
| 3 | Aggregate consideration received | Nil | Nil |

e) Exposures

1 Exposure to Real Estate Sector

( Rs. In Lakhs)

| Category | March 31, 2021 | March 31, 2020 |
|---|---|---|
| a) Direct Exposure | | |
| i) Residential Mortgages - | | |
| Lending fully secured by mortgages on 190 residential property that is or will be occupied by the borrower or that is rented | Nil | Nil |
| (ii) Commercial Real Estate - | | |
| Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based limits | Nil | Nil |
| iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures - | | |
| a. Residential | Nil | Nil |
| b. Commercial Real Estate | Nil | Nil |
| Total Exposure to Real Estate Sector | Nil | Nil |

2 Exposure to Capital Market

( Rs. In Lakhs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt; | 375.31 | 258.82 |
| ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds; | Nil | Nil |
| (iii) advances for any other purposes where shares or convertible bonds or convertible debentures 191 or units of equity oriented mutual funds are taken as primary security; | Nil | Nil |
| iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances; | Nil | Nil |
| (v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers; | Nil | Nil |
| (vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources; | Nil | Nil |
| (vii) bridge loans to companies against expected equity flows / issues; | Nil | Nil |
| (viii) all exposures to Venture Capital Funds (both registered and unregistered) | 2,882.60 | 1,923.50 |
| Total Exposure to Capital Market | 3,257.91 | 2,182.32 |

f) Details of financing of parent company products

GMR Enterprises Pvt Ltd Parent company is a CIC and it doesn't have any products

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g) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable as per NBFC norms
As per prudential norms following are the disclosures of borrowing and investment limits

(Rs. In Lakhs)

| Particualr | March 31, 2021 |
|---|---|
| i) Loans and advances including off-balance sheet exposures to any single party in excess of 15 per cent of owned fund of the non-banking financial company | - |
| ii) Loans and advances including off-balance sheet exposures to a single group of parties in excess of 25 per cent of owned fund of the non-banking financial company | - |
| iii) Investments in a single company in excess of 15 per cent of the owned fund of the non-banking financial company | - |
| iv) Investments in the shares issued by a single group of companies in excess of 25 per cent of the owned fund of the non-banking financial company | - |
| v) Loans, advances to (including debentures/ bonds and off-balance sheet exposures) and investment in the shares of single party in excess of 25 per cent of the owned fund of the non-banking financial company | - |
| vi) Loans, advances to (including debentures/ bonds and off-balance sheet exposures) and investment in the shares of single group of parties in excess of 40 per cent of the owned fund of the non-banking financial company | - |

h) Unsecured Advances

(Rs. In Lakhs)

| Particular | March 31, 2021 |
|---|---|
| a) The amount of unsecured advances the rights, licenses, authorisations, etc, charged as collateral in respect of projects (including infrastructure projects) financed by them, shall not be reckoned as tangible security. Hence such advances shall be reckoned as unsecured. | Nil |
| b) The total amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. has been taken as also the estimated value of such intangible collateral. The disclosure shall be made under a separate head in NTA. This would differentiate such loans from other entirely unsecured loans. | Nil |

i) Miscellaneous

1) Registration obtained from other financial sector regulators
Company does not obtained registraion from other financial sector

2) Disclosure of Penalties imposed by RBI and other regulators
There is no penalty imposed by RBI and other regulators.

3) Ratings assigned by credit rating agencies and migration of ratings during the year
There is no rating assined by credit rating agencies

j) Remuneration of Directors
No remunartion paid to Directors

k) Management
Board of Directors discussed addition thereto, Management Discussion and Analysis report formed part of the Annual Report to the shareholders. Management Discussion & Analysis include discussion on the following matters within the limits set by the company's competitive position:

a. Industry structure and developments
b. Opportunities and Threats.
c. Segment-wise or product-wise performance
d. Outlook
e. Risks and concerns
f. Internal control systems and their adequacy
g. Discussion on financial performance with respect to operational performance
h. Material developments in Human Resources / Industrial Relations front, including number of people employed

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**l) Net Profit or Loss for the period, prior period Items and changes in accounting policies**
There is no prior period items on the current year's profit and loss.

**m) Revenue Recognition**
No revenue recognition has been postponed pending the resolution of significant uncertainties.

**n) Accounting Standard 21 -Consolidated Financial Statements (CFS)**
GMR Enterprises Pvt Ltd a parent company considered for preparing Consolidated Financial Statements

**o) Additional Disclosures**
**i) Provisions and Contingencies**
**a) Contingent Liabilities:**
(Rs. In Lakhs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Corporate Guarantees | 2,669.29 | 2,669.29 |
| Grand Total | 2,669.29 | 2,669.29 |

**b) Provision**
(Rs. In Lakhs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| Standard assets | 4.60 | 13.36 |
| Sub-standard assets | 30.00 | |
| Doubtful assets | 169.82 | 298.50 |
| Total | 204.42 | 311.86 |

**p) Draw Down from Reserves**
The description of the nature and purpose of each reserve within equity is as follows :

i. **Equity component of compound financial instrument**
Equity Component of Compound Financial Instruments represent residual amount after deducting liability component from the fair value of the compound financial instruments.

ii. **Capital Reserve** arised on account of Rajam Enterprises Pvt. Ltd Merger with the the Company during the F.Y 2019-2020

iii. **Securities Premium**
Securities Premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

iv. **Retained Earnings**
Retained Earnings are the profits that the Company has earned till date, less any transfer to General Reserve, dividends or other distributions paid to shareholders.

v. **Equity Instruments through Other Comprehensive Income**
The fair value change of the equity instruments measured at fair value through Other Comprehensive Income is recognised and reflected under Equity Instruments through Other Comprehensive Income. On disposal, the cumulative fair value changes on the said instruments are reclassified to Retained Earnings.

**q) Concentration of Deposits, Advances, Exposures and NPAs**
**i) Concentration of Deposits**
(Rs. In Lakhs)

| Particular | March 31, 2021 |
|---|---|
| Total Deposits of twenty largest depositors | Nil |
| Percentage of Deposits of twenty largest depositors to Total Deposits of the deposit. | Nil |

**ii) Concentration of Advances**
(Rs. In Lakhs)

| Particular | March 31, 2021 |
|---|---|
| Total Advances to twenty largest borrowers | 1,074.94 |
| Percentage of Advances to twenty largest borrowers to Total Advances | 100 |

**r) Concentration of Exposures**
(Rs. In Lakhs)

| Particular | March 31, 2021 |
|---|---|
| Total Exposure to twenty largest borrowers / customers | 1,074.94 |
| Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers | 100 |

**s) Concentration of NPAs**
(Rs. In Lakhs)

| Particular | March 31, 2021 |
|---|---|
| Total Exposure to top four NPA accounts | 169.82 |

GRANDHI ENTERPRISES PVT. LTD.

GRANDHI ENTERPRISES PRIVATE LIMITED
CIN :U67120KA1993PTC032115
Regd. Office : Ship House 25/1 Museum Road, Bengaluru - 560 025

Notes to financial statements for the year ended March 31, 2021

s.i) Sector-wise NPAs

| Sl. No. | Sector | Percentage of NPAs to Total Advances in that sector |
|---|---|---|
| 1 | Agriculture & allied activities | - |
| 2 | MSME | - |
| 3 | Corporate borrowers | - |
| 4 | Services | - |
| 5 | Unsecured personal loans | - |
| 6 | Auto loans | - |
| 7 | Other personal loans | 10.47 |

s.ii) Movement of NPAs

(Rs. in Lakhs)

| Particular | March 31, 2021 | March 31, 2020 |
|---|---|---|
| (i) Net NPAs to Net Advances (%) | 19.00% | 0.00% |
| (ii) Movement of NPAs (Gross) | | |
| (a) Opening balance | 298.50 | 210.00 |
| (b) Additions during the year | 300.00 | 88.50 |
| (c) Reductions during the year | 128.68 | - |
| (d) Closing balance | 469.82 | 298.50 |
| (iii) Movement of Net NPAs | | |
| (a) Opening balance | - | 330.15 |
| (b) Additions during the year | 270.00 | - |
| (c) Reductions during the year | - | 330.15 |
| (d) Closing balance | 270.00 | - |
| (iv) Movement of provisions for NPAs (excluding provisions on standard assets) | | |
| (a) Opening balance | 298.50 | 210.00 |
| (b) Additions during the year | 300.00 | 88.50 |
| (c) Reductions during the year | 128.68 | 0.00 |
| (d) Closing balance | 469.82 | 298.50 |

t) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

| Name of the Joint Venture/ Subsidiary | Other Partner in the JV | Country | Total Assets |
|---|---|---|---|
| Nil | Nil | Nil | Nil |

u) Off-balance Sheet SPVs sponsored

| Name of the SPV sponsored | |
|---|---|
| Domestic | Overseas |
| Nil | Nil |

w) Disclosure of Complaints

| Customer Complaints | Remarks |
|---|---|
| a) No. of complaints pending at the beginning of the year | Nil |
| b) No. of complaints received during the year | Nil |
| c) No. of complaints redressed during the year | Nil |
| d) No. of complaints pending at the end of the year | Nil |

PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS

GRANDHI ENTERPRISES PVT. LTD.

GRANDHI ENTERPRISES PRIVATE LIMITED
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Notes to financial statements for the year ended March 31, 2021

37 Details of dues to micro and small enterprises as defined under MSMED Act, 2006

| Particulars | March 31, 2021 | March 31, 2020 |
|---|---|---|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | Nil | Nil. |
| Principal amount due to micro and small enterprises | Nil | Nil |
| Interest due on above | Nil | Nil |
| The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year. | Nil | Nil |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006. | Nil | Nil |
| The amount of Interest accrued and remaining unpaid at the end of each accounting year. | Nil | Nil |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section of MSMED Act 2006. | Nil | Nil |

38 Previous year's figures have been regrouped/reclassified, wherever necessary to confirm to the current year's classification.

The accompanying notes are an integral part of Financial Statements

As Per our report of even date attached
For B. Purushottam & Co.
Chartered Accountants
Firm Registration No.002808S

B. Mahidhar Krrishna
Partner
M.No.243632

Place : New Delhi
Date : July 01, 2021

PURUSHOTTAM & CO. CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Grandhi Enterprises Private Limited

Sreemannarayana K
Director
DIN-01876402

SIS Ahmed
Independent Director
DIN-06498734

Aruna Kotturu
Company Secretary
M.No.A38802

GRANDHI ENTERPRISES PVT. LTD.