

Independent Auditor's Report

To,
The Members of
VIJAY NIVAS REAL ESTATES PRIVATE LIMITED.

Report on the Financial Statements :

We have audited the accompanying financial statements of **VIJAY NIVAS REAL ESTATES PRIVATE LIMITED** ("the Company"), which comprises the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial Statements :

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

Auditor's Responsibility :

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

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

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

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

Opinion :

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2017, its loss and its cash flows for the year ended on that date.



Report on Other legal and Regulatory requirements :

1. As required by the Companies (Auditor's Report) Order, 2016, ("the order"), issued by the Central Government of India, in terms of subsection (11) of section 143 of the Companies Act, 2013, we give in Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, We report that :
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet and Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies Accounts Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 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" and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position.
 - 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.
 - iv) The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer 18 to the Financial Statements

Place : Hyderabad

Date : 12.05.2017

For **S.Venkatadri & Co.,**
Chartered Accountants
Firm's Regn No.004614S
(K.SRINIVASA RAO)
P A R T N E R
M.No.201470

Annexure "A" to the Independent Auditor's Report

With reference to the Annexure referred to in paragraph 1 under the heading "Report on other legal & Regulatory Requirements" of our Report of even date to the members of **VIJAY NIVAS REAL ESTATES PRIVATE LIMITED**, on the financial statements for the year ended 31st March 2017, We report that :

- (i). (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of company.
- (ii). The inventory has been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable and adequate and no material discrepancies are noticed during our audit.
- (iii). The company has not granted any loans, secured or unsecured to the companies, firms or other parties listed in the register maintained under section 189 of the Companies act 2013. Hence provisions of clause (iii)(a),(b)&(c) of the order are not applicable to the company and hence not reported upon.
- iv). According to the information and explanations given to us Company has not given any Loans, guarantees, security and not made any investments hence the provisions of clause (iv) of the order are not applicable to the company.
- v). The Company has not accepted deposits from the public covered by the provisions of Section 73 to 76 of the Companies Act, 2013.
- vi). As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- vii). (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Income-Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable. Employees State Insurance, Service Tax, Sales tax, Value added Tax, Duty of Customs, Duty of Excise, Provident Fund, are not applicable to the company.
 - (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Service Tax, Sales Tax, Duty of Customs and Duty of Excise which have not been deposited on account of any disputes.
- viii). The company has not defaulted in repayment of dues to its Bank in respect of Loans taken by it. There were no dues payable to any financial institution/s.



- ix). The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and Term loan have been applied for the purpose for which they has raised.
- x). According to the information and explanation given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of audit.
- xi). During the year Company has not paid any Managerial remuneration hence the provisions of clause (xi) of the order is not applicable to the company.
- xii). In Our Opinion and according to the explanations given to us, the company is not a Nidhi company. Accordingly, provisions of clause (xii) of the order are not applicable.
- xiii). According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with the sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable standards.
- xiv). According to the information and explanations given to us, the company has not made any preferential allotment or Private placement of shares or fully or partly convertible debentures during the year.
- xv). According to the information and explanations given to us and based on our examination of the records of the company, The company has not entered into any non-cash transactions with the directors or persons connected with him Accordingly, provisions of clause (xv) of the order are not applicable.
- xvi). The company is not required to be registered under section 45-IA of the Reserve bank of India Act, 1934.

Place : Hyderabad

Date : 12.05.2017

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




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

**Annexure "B" to the Independent Auditors' Report of even date on the
Financial Statements of VIJAY NIVAS REAL ESTATES PRIVATE LIMITED****Report on the Internal Controls on Financial Controls under clause (i) of
sub-section (3) of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **VIJAY NIVAS REAL ESTATES PRIVATE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Hyderabad

Date : 12.05.2017

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

**(K.SRINIVASA RAO)**

P A R T N E R

M.No.201470



VIJAYNIVAS REAL ESTATES PRIVATE LIMITED

Ground Floor, Skip House, #25/1, Museum Road, Bangalore 560025

CIN:U70100KA2007PTC044339

Balance Sheet as at 31st March 2017

Particulars		Note No.	31st March 2017	31st March 2016
			Amount in Rs.	Amount in Rs.
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	9,770,000	9,770,000
	(b) Reserves and surplus	4	(236,320,971)	(217,749,635)
2	Non-current liabilities			
	(a) Long-term borrowings	5	562,035,870	341,650,000
3	Current liabilities			
	(a) Short-term borrowings	6	-	211,116,431
	(b) Trade payables	7	10,416	71,075
	(c) Other current liabilities	8	9,319,473	28,924
	TOTAL		344,814,788	344,886,795
II.	ASSETS			
1	Current assets			
	(a) Inventories	9	344,735,836	344,735,836
	(b) Cash and cash equivalents	10	78,952	99,446
	(c) Other current assets	11	-	51,513
	TOTAL		344,814,788	344,886,795



Corporate Information about the company 1
Summary of Significant Accounting Policies 2
The accompanying notes are an integral part of the Financial statement 3-21

As Per our Report of even date attached
for **S.Venkatadri & Co**

Chartered Accountants
Firm's Regn No.004614S


K .Srinivasa Rao
Partner
M.No. 201470
Place : Bangalore
Date : 12.05.2017




For and on behalf of the Board

Govind Bhat Padyana
Director
DIN No: 01687626

Vasudeva Rao Yanduri
Director
DIN No: 05337020

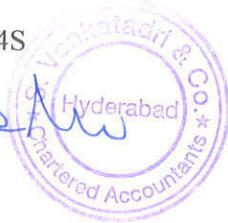
VIJAYNIVAS REAL ESTATES PRIVATE LIMITED
 Ground Floor, Skip House, #25/1, Museum Road, Bangalore 560025
Profit and loss Account for the year ended 31st March 2017

Particulars		Refer Note No.	31st March 2017	31st March 2016
			Amount in Rs.	Amount in Rs.
I.	Revenue from operations		-	-
II	Total Revenue		-	-
III	Expenses:			
	Other expenses	12	625,803	283,105
	Finance costs	13	17,945,533	20,919,881
	Total expenses		18,571,336	21,202,986
IV	Profit /(Loss) before tax (II- III)		(18,571,336)	(21,202,986)
V	Tax expense:		-	-
VI	Profit / (Loss) for the period (IV - V)		(18,571,336)	(21,202,986)
VII	Earnings per equity share:			
	Basic and Diluted		(19.01)	(21.70)

Corporate Information about the company	1
Summary of Significant Accounting Policies	2
The accompanying notes are an integral part of the Financial statements	3-21

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


 K .Srinivasa Rao
 Partner
 M.No. 201470
 Place : Bangalore
 Date : 12.05.2017



For and on behalf of the Board



Govind Bhat Padyana
 Director
 DIN No: 01687626



Vasudeva Rao Yanduri
 Director
 DIN No: 05337020

VIJAYNIVAS REAL ESTATES PRIVATE LIMITED

Ground Floor, Skip House, #25/1, Museum Road, Bangalore 560025

Cash flow statement for the year ended 31 March 2017

	31st March 2017 Amount in Rs.	31st March 2016 Amount in Rs.
Cash flow from operating activities		
Profit before tax from continuing operations	(18,571,336)	(21,202,986)
Profit before tax from discontinuing operations		
Profit before tax	(18,571,336)	(21,202,986)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Finance costs	17,945,533	20,919,881
Net gain on sale of current investments		-
Operating profit before working capital changes	(625,803)	(283,105)
Movements in working capital :		
Increase/ (Decrease) in trade payables	(60,659)	4,960,832
Increase/ (decrease) in other current liabilities	9,290,549	28,576
Decrease / (increase) in other current assets	51,513	(14,510)
Decrease / (increase) short term loans and advances	-	201,583
Cash generated from / (used in) operations	8,655,600	4,893,376
Direct taxes paid (net of refunds)		-
Net cash flow from/ (used in) operating activities (A)	8,655,600	4,893,376
Cash flows from investing activities		
Net cash flow from/ (used in) investing activities (B)	-	-
Cash flows from financing activities		
Proceeds from long-term borrowings	220,385,870	14,900,000
Proceeds from short-term borrowings	(211,116,431)	1,168,934
Finance cost	(17,945,533)	(20,919,881)
Net cash flow from/ (used in) in financing activities (C)	(8,676,094)	(4,850,947)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(20,494)	42,429
Effect of exchange differences on cash & cash equivalents held in foreign currency	-	-
Cash and cash equivalents at the beginning of the year	99,446	57,018
Cash and cash equivalents at the end of the year	78,952	99,446
Components of cash and cash equivalents		
Cash on hand		
With banks- on current account	78,952	99,446
Total cash and cash equivalents (note 18)	78,952	99,446

Corporate Information about the company	1
Summary of Significant Accounting Policies	2
The accompanying notes are an integral part of the Financial statements	3-21

As Per our Report of even date attached

for **S.Venkatadri & Co**

Chartered Accountants

Firm's Regn No.004614S

K. Srinivasa Rao

K .Srinivasa Rao

Partner

M.No. 201470

Place : Bangalore

Date : 12.05.2017



For and on behalf of the Board

Govind Bhat Padyana
Govind Bhat Padyana
 Director
 DIN No: 01687626

Vasudeva Rao Yanduri
Vasudeva Rao Yanduri
 Director
 DIN No: 05337020

VIJAYNIVAS REAL ESTATES PRIVATE LIMITED

Ground Floor, Skip House, #25/1, Museum Road, Bangalore 560025

Note 3

Share capital

Share Capital	31st March 2017		31st March 2016	
	Number	Amount in Rs	Number	Amount in Rs
Authorised				
Equity Shares of `Rs.10/- each	1,000,000	10,000,000	1,000,000	10,000,000
Issued				
Equity Shares of `Rs.10/- each	977,000	9,770,000	977,000	9,770,000
Subscribed & Paid up				
Equity Shares of `Rs.10/- each	977,000	9,770,000	977,000	9,770,000
Total	977,000	9,770,000	977,000	9,770,000

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	31st March 2017		31st March 2016	
	Number	Amount in Rs	Number	Amount in Rs
Shares outstanding at the beginning of the year	977,000	9,770,000	977,000	9,770,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	977,000	9,770,000	977,000	9,770,000

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 shall have voting rights in proportion to his shares to the paid up equity capital.

In 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 share holders.

c) Share held by Holding/Ultimate Holding company and or their subsidiaries /Associates

Out of equity shares issued by the company, shares held by its holding company, ultimate Holding company and their subsidiaries a/associates are as below

	Amount in Rs.	
	31st March 2017	31st March 2016
GMR Enterprise Pvt Ltd	9,769,500	9,769,500
GMR Enterprise Pvt Ltd Jointly with Mr.Gunda Srinivas	100	100
GMR Enterprise Pvt Ltd Jointly with Mr.Ganeshwara Rao	100	100
GMR Enterprise Pvt Ltd Jointly with Mr.Ganta Srinivas	100	100
GMR Enterprise Pvt Ltd Jointly with Mr.Rajesh Kumar Jhunjunwala	100	100
GMR Enterprise Pvt Ltd Jointly with Mr. P.Sreenivasa Rao	100	100

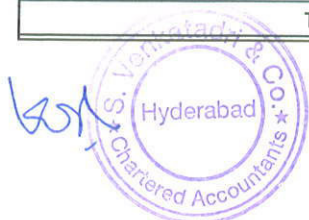
d) Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	31st March 2017		31st March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
GMR Enterprise Private Limited	976950	99.995%	976950	99.995%

Note 4

Reserves and surplus

Particulars	31st March 2017	31st March 2016
	Amount in Rs	Amount in Rs
Opening balance	(217,749,635)	(196,546,648)
(+) Net Profit/(Net Loss) For the current year	(18,571,336)	(21,202,986)
Closing Balance	(236,320,971)	(217,749,635)
Total	(236,320,971)	(217,749,635)



Note 5**Long Term Borrowings**

Particulars	31st March 2017	31st March 2016
	Amount in Rs	Amount in Rs
Unsecured Loans	562,035,870	341,650,000
Total	562,035,870	341,650,000

Note 6**Short Term Borrowings**

Particulars	31st March 2017	31st March 2016
	Amount in Rs	Amount in Rs
Secured		
Loans repayable on demand from banks (Secured By deposits from group companies)	-	211,116,431
Total	-	211,116,431

Note 7**Trade Payables**

Particulars	31st March 2017	31st March 2016
	Amount in Rs	Amount in Rs
Trade Payables	10,416	71,075
Total	10,416	71,075

Note 8**Other Current Liabilities**

Particulars	31st March 2017	31st March 2016
	Amount in Rs	Amount in Rs
Interest accrued but not due on borrowings	8,335,149	-
Others TDS-Payable	926,476	174
Other Statutory liabilities- Service Tax	348	-
Audit Fee Payable	57,500	28,750
Total	9,319,473	28,924

Note 9**Inventories**

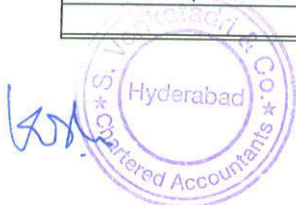
Particulars	31st March 2017	31st March 2016
	Amount in Rs	Amount in Rs
Stock-in-trade (Valued at cost)	344,735,836	344,735,836
Total	344,735,836	344,735,836

Note 10**Cash and cash equivalents**

Particulars	31st March 2017	31st March 2016
	Amount in Rs	Amount in Rs
Balances with banks In current Accounts	78,083	98,489
Cash on hand	869	957
Total	78,952	99,446

Note 11**Other Current Assets**

Particulars	31st March 2017	31st March 2016
	Amount in Rs	Amount in Rs
Service tax input credit	-	51,513
Total	-	51,513



VIJAYNIVAS REAL ESTATES PRIVATE LIMITED

Ground Floor, Skip House, #25/1, Museum Road, Bangalore 560025

Note 12

Other expenses

Particulars	31st March 2017	31st March 2016
	Amount in Rs	Amount in Rs
Power and fuel.	4,928	3,658
Water charges	5,930	5,995
Security services	226,527	195,933
Repairs & Maintenance	8,461	7,000
Interest on delayed Payment	40,563	14
Conveyance	20	3,655
Food Expenses	1,164	-
Professional fees	-	10,067
ROC Charges	6,243	15,612
Rates and taxes, excluding, taxes on income	97,494	12,243
Printing & Stationery	5,693	178
Statutory Audit fee	28,750	28,750
Bad Debts	200,030	
Total	625,803	283,105

Note 13

Finance costs

Particulars	31st March 2017	31st March 2016
	Amount in Rs	Amount in Rs
Interest expense	17,941,026	20,916,428
Bank charges	4,507	3,453
Total	17,945,533	20,919,881



Note-1 Corporate Information about the company

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

Note-2 Basis of preparation

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

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

2.1 Significant accounting policies

i. Use of estimates:

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

ii. Revenue recognition:

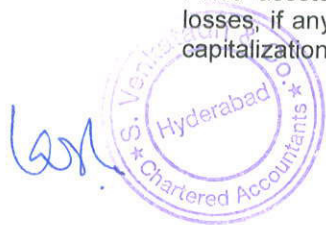
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

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

iii. Fixed assets

Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and freight, duties levies and borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working



condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. Assets under installation or under construction as at balance sheet are shown as Capital work in progress.

iv. Depreciation

Tangible assets

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

v. Investments

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

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

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

vi. Earnings per share

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

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



vii. Taxes on Income

Tax expense comprises both Current tax and deferred tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of Income tax payable in respect of the taxable income for the reporting period. Deferred tax represents the effect of timing difference between taxable income and accounting income for the reporting period that

originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

viii. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

ix. Borrowing Costs

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

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

x. Contingent liabilities

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

14 Capital commitments:

Estimated amount of contracts remaining to be executed on capital account not provided for, net of advances Rs. NIL (Mar'16 – Rs. NIL).



Vijaynivas Real Estates Private Limited

15 Related Party transactions

a) Name of Related Parties and description of Relationship.

Vijay Nivas Real Estates Private Limited		
(i)	Enterprises that control the Company	GMR Enterprise Private Limited (GEPL)
(ii)	Fellow Subsidiary Companies	GMR Infrastructure Limited GMR Sports Private Limited GMR Infratech Private Limited GMR Bannerghatta Properties Private Limited Hyderabad Jabilli Properties Private Limited Kondampeta Properties Private Limited Pashupathi Artrex Agencies Private Limited Ravivarma Reality Private Limited Cadence Retail Private Limited Fabcity Properties Private Limited Leora Real Estates Private Limited Crossridge Investments Ltd. Toridon Enterprises Limited
(iii)	Key Management Personnel	Mr. Govind Bhat Padyana Mr. Vasudeva Rao Yanduri

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

(Amount in Rupees)

Particulars	Year Ended 31 st Mar'17	Year Ended 31 st Mar' 16
i) Loan received/(refunded)		
-Fellow Subsidiaries – Fabcity Properties Private Limited	13,00,000	-
-Enterprises that Control the Company – GEPL	1,00,000	1,49,00,000
-Fellow Subsidiaries – GMR Bannerghatta Properties Pvt Ltd	21,89,85,870	
ii) Interest Payable		
-Fellow Subsidiaries – GMR Bannerghatta Properties Pvt Ltd	92,61,277	-

c) Balance as on 31st Mar'17 is as under for following related parties.

(Amount in Rupees)

Name of the company	31 st Mar'17	31 st Mar'16
i) Equity Share Capital		
- Enterprises that Control the Company – GEPL	9,769,500	9,769,500
ii) Loan received -		
- Enterprises that Control the Company -GEPL	336,800,000	336,700,000
iii) Loan received -		
- Fellow Subsidiaries – Fabcity Properties Private Limited	13,00,000	-
iv) Loan received -		
- Fellow Subsidiaries – Ravivarma Reality Private Limited	49,50,000	-
v) Loan received -		
- Fellow Subsidiaries – GMR Bannerghatta Properties Pvt Ltd	21,89,85,870	-
vi) Interest Accrued But not due		
- Fellow Subsidiaries – GMR Bannerghatta Properties Pvt Ltd	83,35,149	-



16 Earnings per Share (EPS)

Particulars	Year Ended 31 st Mar'17	Year Ended 31 st Mar'16
Nominal value of Equity Shares(Rs. Per share)	10	10
Total No. of Equity Shares outstanding at the beginning of the Year	977,000	977,000
Total No. of Equity Shares outstanding at the end of the Year	977,000	977,000
Weighted average No. of Equity shares for Basic earnings per Share	977,000	977,000
Profit / (loss) as per Profit and loss Account (Rs.)	(1,85,71,336)	(21,202,986)
Less: Dividend on Preference shares (including tax thereon)	-	-
Profit/ (Loss) for Earning per share (Rs.)	(1,85,71,336)	(21,202,986)
Earnings per Share (EPS) (Rs.)	(19.01)	(21.70)

17 Pending Litigations

- a) The Company does not have any pending litigations which would impact its financial position as on 31st March, 2017.
- b) There are no micro and small enterprises to which the company owes dues which are outstanding for more than 45 days as at March 31, 2017. This information, as required to be disclosed under the Micro Small and Medium Enterprises Development Act 2006, has been determined to the extent such parties have been identified on the basis of information available with the company.

18 Details of Current Investments (other than trade and unquoted) purchased and sold during the year ended March 31, 2017 - Nil

19 Following are the cash and cash equivalents schedule for demonetization period

	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	-	869	869
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount Deposited in Bank	-	-	-
Closing cash in hand as on 30.12.2016	-	869	869

20 Segment Reporting

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

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

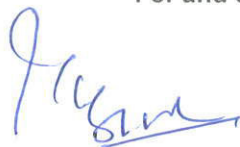
For S Venkatadri & Co.
Chartered Accountants
Firm Regn.No. 004614S



K. Srinivasa Rao
Partner
M.No.201470



For and on Behalf of Board



Govind Bhat Padyana
Director
DIN No: 01687626



Vasudeva Rao Yanduri
Director
DIN No: 05337020

Place: Bangalore.
Date: 12.05.2017