

Independent Auditor's Report

To the Members of New Cyberabad City Projects Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of New Cyberabad City Projects Private Limited ('the Company'), which comprise the Balance sheet as at 31st March 2016, the Statement of Profit and Loss and 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 and presentation 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 the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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. 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 qualified audit opinion on the financial statements.

Basis for Qualified Opinion

We draw attention to the following matters in the Notes to the financial statements

- a) Note No. 1.1(d) The Company has made investments into real estate. The Company is unable to develop its real estate asset and make it into a cash generating asset and due to which the ability of the Company to continue as going concern depends on support from its holding company and other group companies.*

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matter described in the Basis for Qualified Opinion paragraph, 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 31 March 2016 and its Loss and its cash flows for the year ended on that date.

Emphasis of Matter

- (a) The Company has given Corporate Guarantee and has mortgaged its immovable property at Visakhapatnam for the loan enjoyed by a third party with no underlying benefit accruing to the Company. The sanctioned loan from SBI to the third party is 45 Crores and the outstanding loan as at 31st March, 2016 is 25.68 Crores. Ref Note No. 13.3.*

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



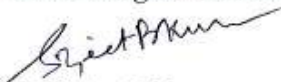
the matters specified in the paragraph 3 and 4 of the order.

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 purposes of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on 31st March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 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 has disclosed the impact of pending litigation on its financial position in its financial statements - Refer Note No. 13.4
 - ii. The Company did not have 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. Sujeet & Co.**

Chartered Accountants

Firm's registration number: 009308S



B. Sujeet Kumar

Proprietor

Membership number: 209547

Hyderabad

2nd May 2016



B. SUJEET & CO.,
Chartered Accountants

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (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 the Company except for the immovable properties for which only the development rights are owned by the Company.
- (ii) The Company is a real estate company. 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 held as inventories are held in the name of the Company except for the immovable properties for which only the development rights are owned by the Company.
- (iii) (a) The Company has granted loans to two bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (b) The loans have been given with no specific interest rate and repayment period. Hence we cannot comment whether such loans are, prima facie, prejudicial to the interest of the Company or not.
- (iv) In our opinion and according to the information and explanations given to us, as the Company is into real estate, the provisions of section 185 and 186 of the Act are not applicable to the Company. Hence paragraph 3(iv) of the Order is not applicable to the Company with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.



- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31st March 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of duty or taxes which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration during the year. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is 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 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 accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, 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 non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For B. Sujeet & Co.
Chartered Accountants

Firm's registration number: 009308S



B. Sujeet Kumar
Proprietor

Membership number: 209547



Hyderabad
2nd May 2016

B. SUJEET & CO.,
Chartered Accountants

Annexure - B to the Auditors' Report

**Report on the Internal 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 New Cyberabad City Projects Private Limited ("the Company") as of 31 March 2016 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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

We draw attention to the following:

- a) The Company does not have any employees and all the operations are being carried out by the employees of the holding company. Hence there is no internal control framework in place in the Company.
- b) The Company has given Corporate Guarantee and has mortgaged its



immovable property at Visakhapatnam for the loan enjoyed by a third party with no underlying benefit accruing to the Company. Such Guarantee is prejudicial to the interests of the Company.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2016

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company, and the disclaimer does not affect our opinion on the standalone financial statements of the Company.

For B. Sujeet & Co.

Chartered Accountants

Firm's Registration Number: 009308S



B. Sujeet Kumar

Proprietor

Membership Number: 209547

Hyderabad

2nd May 2016



NEW CYBERABAD CITY PROJECTS PRIVATE LIMITED
Corporate Identification Number: U45201TG2006PTC050706
BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	As at 31-03-2016		As at 31-03-2015	
		₹	₹	₹	₹
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds:					
(a) Share Capital	2	1,24,70,000		1,24,70,000	
(b) Reserves and Surplus	3	33,47,45,783		33,53,53,191	
(c) Money Received against Share warrants		-	34,72,15,783	-	34,78,23,191
(2) Share application money pending allotment					
(3) Non-current liabilities:					
(a) Long-term borrowings	4	2,18,43,48,511		2,18,18,51,346	
(b) Deferred tax liabilities (Net)		-		-	
(c) Other Long-term liabilities		-		-	
(d) Long-term provisions		-	2,18,43,48,511	-	2,18,18,51,346
(4) Current liabilities:					
(a) Short-term borrowings	5	2,16,223		1,53,540	
(b) Trade payables	6	18,450		20,618	
(c) Other current liabilities		-		-	
(d) Short-term provisions		-	2,34,673	-	1,74,158
Total			2,53,17,98,967		2,52,98,48,695
II. ASSETS:					
(1) Non-current assets					
(a) Fixed Assets	7	1,01,675		-	
(i) Tangible assets		-		-	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress		-		-	
(iv) Intangible assets under developemnt		-		-	
(b) Non-current investments		-		-	
(c) Deferred tax assets (Net)		-		-	
(d) Long-term loans and advances	8	31,06,73,219		28,62,49,525	
(e) Other non-current assets	9	2,22,09,79,439	2,53,17,54,333	2,24,35,31,976	2,52,97,81,501
(2) Current assets					
(a) Current investments		-		-	
(b) Inventories		-		-	
(c) Trade receivables		-		-	
(d) Cash and cash equivalents	10	44,634		67,194	
(e) Short-term loans and advances		-		-	
(f) Other current assets		-	44,634	-	67,194
Total			2,53,17,98,967		2,52,98,48,695

The accompanying statement of Significant Accounting Policies and notes to financial statements form an Integral part of the financial statements

As per our Report of even date

For M/s B. SUJEET & CO.,
CHARTERED ACCOUNTANTS
Firm Regn No. 0093085

B. SUJEET KUMAR
Proprietor
Membership No. 209547



For and on behalf of the Board of Directors

RAJEEV KAMINENI
Director
DIN:02531703

VINAY CHILAKAPATI
Director
DIN:01429386

Place : Hyderabad
Date : 2nd May, 2016

NEW CYBERABAD CITY PROJECTS PRIVATE LIMITED			
Corporate Identification Number: U45201TG2006PTC050706			
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016			
	Note No	For the year ended 31-03-2016 ₹	For the year ended 31-03-2015 ₹
I Revenue from operations		-	-
II Other income		-	-
III Total Revenue (I + II)		-	-
IV Expenses:			
a Cost of materials consumed		-	-
b Purchases of Stock-in-Trade		-	-
c Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
d Employee benefit expenses		-	-
e Finance costs		-	-
f Depreciation and amortization expenses	7	6,325	-
g Other expenses	11	6,01,083	4,93,290
Total expenses		6,07,408	4,93,290
V Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		(6,07,408)	(4,93,290)
VI Exceptional items	12	-	(28,60,50,649)
VII Profit/(Loss) before extraordinary items and tax (V - VI)		(6,07,408)	28,55,57,359
VIII Extraordinary items		-	-
IX Profit/(Loss) before tax (VII - VIII)		(6,07,408)	28,55,57,359
X Tax expenses			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI Profit / (loss) for the year from continuing operations (IX - X)		(6,07,408)	28,55,57,359
XII Profit / (loss) from discontinuing operations		-	-
XIII Tax expenses of discontinuing operations		-	-
XIV Profit / (loss) from discontinuing operations (after tax) (XII - XIII)		-	-
XV Profit / (loss) for the year (XI + XIV)		(6,07,408)	28,55,57,359
XVI Earnings per share:	13		
(1) Basic		(0.49)	229.00
(2) Diluted		(0.49)	229.00

The accompanying statement of Significant Accounting Policies and notes to financial statements form an Integral part of the financial statements

As per our Report of even date

For M/s B. SUJEET & CO.,
CHARTERED ACCOUNTANTS
Firm Regn No. 0093085

B. SUJEET KUMAR
Proprietor
Membership No. 209547

Place : Hyderabad
Date : 2nd May, 2016

For and on behalf of the Board of Directors

RAJEEV KAMINENI
Director
DIN:02531703

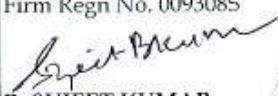
VINAY CHILAKAPATI
Director
DIN:01429386

NEW CYBERABAD CITY PROJECTS PRIVATE LIMITED
Corporate Identification Number: U45201TG2006PTC050706
Cash Flow Statement for the year ended March 31, 2016

	Year Ended March 31, 2016 ₹	Year Ended March 31, 2015 ₹
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) before taxation	(6,07,408)	28,55,57,359
Adjustments for operating activities :		
Depreciation & Amortization	6,325	-
Provision no longer required written back	-	(28,60,50,649)
Operating Profit before Working Capital Changes	(6,01,083)	(4,93,290)
Adjustments for :		
(Increase)/Decrease in Inventory	(20,01,157)	50,000
(Increase)/Decrease in Loans and Advances	1,30,000	(1,98,876)
Increase/(Decrease) in Current Liabilities & Trade Payable	60,515	61,798
Cash generated from operations (A)	(24,11,725)	(5,80,368)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Acquisition of Fixed Assets	(1,08,000)	-
Net cash from Investing activities (B)	(1,08,000)	-
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Long Term Borrowings	24,97,165	-
Secured Loans Availed	-	2,73,065
Net cash from financing activities (C)	24,97,165	2,73,065
Net Increase in Cash and Cash Equivalents (A+B+C)	(22,560)	(3,07,303)
Cash and cash equivalents at the beginning of the year	67,194	3,74,497
Cash and cash equivalents at the end of the year	44,634	67,194

Note: Non Cash Flows relating to restructuring of loans and investments in the Group have not been considered.

As per our Report of even date
For M/s B. SUJEET & CO.,
CHARTERED ACCOUNTANTS
Firm Regn No. 0093085


B. SUJEET KUMAR
Proprietor
Membership No. 209547



Place: Hyderabad
Date: 2nd May, 2016

For and on behalf of the Board of Directors


RAJEEV KAMINENI
Director
DIN: 02531703


VINAY CHILAKAPATI
Director
DIN:0 1429386

NEW CYBERABAD CITY PROJECTS PRIVATE LIMITED
Corporate Identification Number: U45201TG2006PTC050706
NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2016

	As at 31-03-2016 ₹	As at 31-03-2015 ₹
Note: 2 SHARE CAPITAL		
(A) Authorised, Issued, Subscribed and Paid-up share capital and par value per share		
Authorised Share Capital		
20,00,000 Equity Shares of Rs. 10/- each	2,00,00,000	2,00,00,000
Issued, Subscribed and Paid Up		
12,47,000 Equity Shares of Rs. 10/- each	1,24,70,000	1,24,70,000
	1,24,70,000	1,24,70,000
(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:		
Number of equity shares outstanding as at the beginning of the year	12,47,000	12,47,000
Add: Number of Shares allotted during the year		
Less: Number of Shares bought back		
Number of equity shares outstanding as at the end of the year	12,47,000	12,47,000
(C) Shareholding in the company of the holding company and their subsidiaries / associates		
PVP Ventures Ltd & its nominee	10,10,000	10,10,000
	10,10,000	10,10,000
(D) Shares in the company held by each shareholder holding more than 5%:		
Name of shareholder	No of shares at year end	
PVP Ventures Ltd	10,10,000	10,10,000
Erebus Projects Private Limited	2,37,000	2,37,000
	12,47,000	12,47,000
Name of shareholder	% as at year end	
PVP Ventures Ltd & its nominee	81	81
Erebus Projects Private Limited	19	19
	100	100
(E) Rights, preferences and restrictions attaching to various classes of shares	NIL	NIL
(F) Shares reserved for issue under options and contracts:	NIL	NIL
(G) Commitments for sale of shares/ divestment	NIL	NIL
(H) Details of allotment of shares for consideration other than cash, allotments of bonus shares and shares bought back	NIL	NIL
(I) The Company has only one class of shares issued and paid-up capital referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.		
(J) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after payment of all external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.		



NEW CYBERABAD CITY PROJECTS PRIVATE LIMITED
Corporate Identification Number: U45201TG2006PTC050706
NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2016

	As at 31-03-2016 ₹	As at 31-03-2015 ₹
Note-3 RESERVES AND SURPLUS		
	As at 31-Mar-15	As at 31-Mar-16
Securities Premium Reserve	99,76,30,000	99,76,30,000
Surplus (P&L a/c) as under:	(66,22,76,809)	(66,28,84,217)
	33,53,53,191	33,47,45,783
Opening Balance	(94,78,34,169)	(66,22,76,809)
Profit / (Loss) for the period - From P & L	28,55,57,359	(6,07,408)
Balance of Profit / Loss	(66,22,76,809)	(66,28,84,217)
	(66,22,76,809)	(66,28,84,217)
Note-4 LONG-TERM BORROWINGS:		
Secured Interest Free Loan from PVP Ventures Ltd, the Holding Company	2,18,43,48,511	2,18,18,51,346
Refer Note No.13.2	2,18,43,48,511	2,18,18,51,346
Note-5 TRADE PAYABLE		
Sundry Creditors for services	2,16,223	1,53,540
	2,16,223	1,53,540
Note-6 OTHER CURRENT LIABILITIES		
TDS - Professional services	11,000	20,618
TDS - Contract Services	7,450	-
	18,450	20,618
Note-8 LONG TERM LOANS AND ADVANCES (Unsecured and considered good)		
Loans and advances to related parties	-	16,65,30,649
PVP Global Ventures Pvt Ltd - Fellow Subsidiary Company	29,46,61,892	10,09,25,000
PVP Media Ventures Pvt Ltd - Fellow Subsidiary Company	1,60,11,327	1,87,93,876
Adobe Realtors Pvt Ltd - Subsidiary of a Fellow Subsidiary	90,00,000	90,00,000
Other Doubtful Advances	31,96,73,219	29,52,49,525
	90,00,000	90,00,000
Less: Provision for Doubtful Advances made	31,06,73,219	28,62,49,525
Note-9 OTHER NON CURRENT ASSETS		
Work in Progress of Inventory	2,22,09,79,439	2,24,35,31,976
	2,22,09,79,439	2,24,35,31,976
Note-10 CASH AND CASH EQUIVALENTS		
Balance with banks	44,634	67,194
Cash on hand	-	-
(as Certified by the Management)	44,634	67,194



NEW CYBERABAD CITY PROJECTS PRIVATE LIMITED
Corporate Identification Number: U45201TG2006PTC050706

NOTES-7: FIXED ASSETS - TANGIBLE										
Description of the Asset	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	As at 1st April 2015 ₹	Additions ₹	Deletions ₹	As at 31st March 2016 ₹	As at 1st April 2015 ₹	Additions ₹	Deletions ₹	As At 31st March 2016 ₹	As At 31st March 2016 ₹	As At 31st March 2015 ₹
Furniture and Fixtures	-	1,08,000	-	1,08,000	-	6,325	-	6,325	1,01,675	-
Total	-	1,08,000	-	1,08,000	-	6,325	-	6,325	1,01,675	-
Previous Year	-	-	-	-	-	-	-	-	-	-



NEW CYBERABAD CITY PROJECTS PRIVATE LIMITED

Corporate Identification Number: U45201TG2006PTC050706

NOTES TO THE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2016

	For the year ended 31/3/2016 ₹	For the year ended 31/3/2015 ₹
Note-11 OTHER EXPENSES		
Rates and taxes	23,800	9,600
Payment to statutory auditors	1,14,500	1,12,360
Legal, Professional and consultancy	67,117	3,58,877
Security Charges	3,77,625	-
Miscellaneous Expenses	18,041	12,453
	<u>6,01,083</u>	<u>4,93,290</u>
Note-12 EXCEPTIONAL ITEMS		
Provision No Longer Required	-	(28,60,50,649)
	-	<u>(28,60,50,649)</u>



NOTE 1:

A. BACKGROUND: The Company is incorporated in the State of Andhra Pradesh in 2006. The Company is into real estate sector. It owns a sizeable land near Hyderabad and at Visakhapatnam.

B. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

- (a) The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India. (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the notified accounting standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. Accounting Policies have been consistently applied except where a newly accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements have been prepared on an accrual basis of accounting and under the historical cost convention.
- (b) The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date.
- (c) All financial transactions have been recognized on accrual basis. The preparation of financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from those estimates.
- (d) **Going Concern:** The Company has made investments in real estate. The Company is unable to develop its real estate asset and make it into a cash generating asset and due to which the ability of the Company to continue as going concern depends on support from its holding company and other group companies.

1.2 Revenue Recognition

As a consistent practice, the Company recognizes revenue on an accrual basis.

A handwritten signature in blue ink is written over a circular purple stamp. The stamp contains text in Telugu and English, including 'NEW CYBERABAD CITY PROJECTS PRIVATE LIMITED' and 'U450201TG2006PTC050706'.

1.3 Inventories

Land, Land development rights and work in progress are valued at cost or Net Realisable Value whichever is lower. Cost comprises of all expenses incurred for the purpose of acquisition of land and land development rights, development of land and other related direct expenses.

1.4 Fixed Assets

Fixed Assets are stated at cost less depreciation. Cost includes inward freight, duties and taxes and other expenses related to acquisition and installation.

1.5 Depreciation

Depreciation on fixed assets are provided on straight line method over the useful life of the asset. The Company has adopted estimated useful life of the fixed asset as stipulated by schedule II to the Companies Act, 2013.

1.6 Investments

Long-term investments are stated at cost, less diminution other than temporary in the value of such investments, if any. Current investments are valued at cost or market value whichever is lower.

1.7 Foreign Currency Transactions

There were no foreign currency transactions undertaken during the year or foreign currency assets or liabilities outstanding as at the end of the year under review.

1.8 Leases

There were no assets taken on financial lease or operational lease during the year.

1.9 Retirement Benefits

There were no employees employed during the year.

1.10 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit 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 nature or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



1.11 Segment Reporting

The Company is engaged in development of urban infrastructure, which in the context of Accounting Standard 17 "Segment Reporting" is considered as the only segment. Hence, segment reporting is not applicable.

1.12 Borrowing Cost

Expenditure on borrowing cost on the loans obtained specifically for acquisition, construction or production of qualifying assets is capitalized as part of the cost of that asset. Other borrowing costs are charged to revenue over the tenure of the loan.

1.13 Taxes on Income

- (i) Provision for current tax is made for the amount of tax payable in respect of taxable income for the year under Income Tax Act, 1961.
- (ii) Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

1.14 Earnings per Share

- i. Basic and diluted earnings per share are calculated by dividing the net profit for the year/period attributed to equity shareholders by the weighted average number of equity shares outstanding during the year/period.
- ii. 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.

1.15 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has an obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.



New Cyberabad City Projects Private Limited
Corporate Identification Number: U450201TG2006PTC050706

Notes forming part of the financial statements for the year ended March 31, 2016

NOTE 13. OTHER ITEMS

- 13.1 The Company owns land admeasuring 50 acres and 5 guntas and development rights over another 679 acres and 28 guntas at Nadergul at Shamshabad and 9.25 acres of land in Visakhapatnam.. As per the independent valuation done in May 2012, the fair market value of the above land and land development rights of 729 Acres and 33 Guntas is assessed to be Rs. 364.66 Crores, which is higher than their carrying cost of Rs. 222.09 Crores (PY: Rs. 224.35 Crores).
- 13.2 During the previous year the Holding Company M/s PVP Ventures Limited had converted the Secured Debentures amounting to Rs.24,832 lakhs into a secured interest free loan. The Secured Loan is secured against the immovable property owned by the Company.
- 13.3 The Company has given has given a Corporate Guarantee for Rs. 45 Crores to State Bank of India for the loan availed by Third party . The Company has created a charge on 2 Acres 60 Cents of land at Vishakhapatnam. The outstanding loan as at the year-end is 25.68 crores to the banker by Third party.
- 13.4 The Enforcement Directorate had provisionally attached the land measuring 28 Acres and 8 Guntas of the Company in connection with the redemption of the investments in M/s. Mahalakshmi Energy Ventures Private Limited by its fellow subsidiary Company. The said attachment order has been confirmed by the Adjudicating Authority of the Enforcement Directorate. The Fellow Subsidiary Company - PVP Global Ventures has already filed an appeal against the said Order before Appellate Authority, Delhi. Based on the expert advice, the Company is confident of succeeding before the appellate authority.

13.5 Earnings per Share

Particulars	Ref	Year ended March 31, 2016	Year ended March 31, 2015
Profit/ (Loss) before Exceptional Items (in Rs.)	A	(6,07,408)	(4,93,290)
Profit/ (Loss) after Exceptional Items (₹.)	B	(6,07,408)	28,55,57,359
Number of shares outstanding	C	1,247,000	1,247,000
Earnings per share before Exceptional Items - Basic and Diluted (₹.)	A/ C	(0.49)	(0.64)
Earnings per share after Exceptional Items - Basic and Diluted (₹.)	B/ C	(0.49)	229.00

13.6 Related Party Disclosures

List of related parties where control exists and related parties with whom transactions have taken place and relationships are as follows:

Names of the Related party	Relationship
PVP Ventures Limited (PVP)	Holding Company
PVP Global Ventures Private Limited (PVPGVPL)	Fellow Subsidiary
PVP Media Ventures Private Limited (PVP MVPL)	Fellow Subsidiary
Adobe Realtors Private Limited (ARPL)	Subsidiary of a Fellow Subsidiary



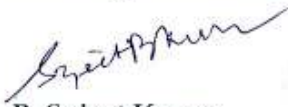
Summary of transactions and outstanding balances with above related parties

Nature of transactions	Transactions for the		Balance as at	
	Year ended March 31, 2016	Year ended March 31, 2015	March 31, 2016	March 31, 2015
	(in Rs.)	(in Rs.)	(in Rs.)	(in Rs.)
(i) Unsecured Loan Availed				
22% Non-Convertible Debentures	Nil	(248,32,00,000)	Nil	Nil
(ii) Loans / Advances given (Net)				
(a) Holding Company (PVP)	Nil	(30,16,21,718)	Nil	Nil
(b)PVPGVPL	(16,65,30,649)	16,65,30,649	Nil	16,65,30,649
(c)PVPMVPL	19,37,36,892	10,09,25,000	29,46,61,892	10,09,25,000
(d)ARPL	2,45,53,694	1,87,93,876	1,60,11,327	1,87,93,876
(iii) Secured Interest Free Loan				
(a) Holding Company (PVP)	27,82,549	(30,13,48,654)	218,43,48,511	218,18,51,346
(iv) Inventory- Land Development Rights Purchased				
ARPL	Nil	Nil	6,98,47,400	6,98,47,400

- 13.7 During the year, due to internal restructuring of the group, the loans & advances among the fellow subsidiaries of PVP Ventures Ltd have been regrouped and assigned within the group.
- 13.8 The Company has not received any intimation from suppliers, regarding their status, under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure of any amounts unpaid as at the year-end together with interest paid / payable as required under the said Act have not been given.
- 13.9 For the Assessment Year 2008-09, the Company received a demand from the Income Tax Department for Rs. 16,21,324/-. The Company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the aforesaid demand. The Company did not provide any amount for the said demand as the Company is confident of succeeding in the appeal.

- 13.10 The Company has not recognized deferred tax asset on carry forward losses on the grounds of prudence.
- 13.11 Explanatory notes 1 to 13 form an integral part of the Balance Sheet and Statement of Profit and Loss and are duly authenticated.

As per report of our even date
For M/s. B. Sujeet & Co.,
Chartered Accountants
Firm Reg.No.0093085


B. Sujeet Kumar
(Proprietor)
M. No : 209547
Place: Hyderabad
Date: 2nd May, 2016

For and on behalf of the Board of Directors


Rajeev Kamineni
(Director)
DIN: 02531703
Place: Hyderabad
Date: 2nd May, 2016


Vinay Chilakapati
(Director)
DIN: 01429386