

Independent Auditor's Report

To the Members of New Cyberabad City Projects Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of New Cyberabad City Projects Private Limited ('the Company'), which comprise the Balance sheet as at 31st March 2018, the Statement of Profit and Loss (including other comprehensive income) and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred as "Ind AS financial statements").

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 Ind AS 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 Ind AS 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 2018 and its Loss and its cash flows for the year ended on that date.

Emphasis of Matter

1. The Company has made investments into real estate. Considering the long gestation period in real estate, the ability of the Company to continue as going concern depends on support from its holding company and other group companies. Ref Note No.12.12
2. 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, 2018 is 34.07 Crores. Ref Note No. 12.3.

Our opinion is not modified in respect of these matters.



Report on Other Legal and Regulatory Requirements

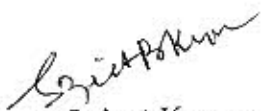
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 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) 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 Ind AS 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 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 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. 12.4 and 12.5
 - 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
Date: 24th May, 2018

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31st March 2018, 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 2018 for a period of more than six months from the date they became payable.

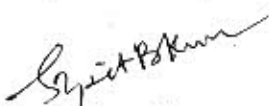
- (b) According to the information and explanations given to us, an amount of Rs. 12,820/- was paid on account of ongoing dispute relating to the Income Tax matter for AY 2015-16 with the Commissioner of Income Tax (Appeals).
- (viii) The Company does not have any loans or borrowings from any financial 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. Accordingly, paragraph 3(x) of the Order is not applicable.
- (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 Ind AS 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

24th May, 2018

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 2018 in conjunction with our audit of the Ind AS 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 Ind AS 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.

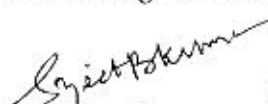
According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial 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 the 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, 2018.

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

For B. Sujeet & Co.

Chartered Accountants

Firm's Registration Number: 009308S



B. Sujeet Kumar

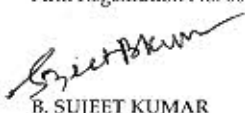



Proprietor

Membership Number: 209547



Hyderabad

24th May, 2018

	Particulars	Note No.	As at Mar 31, 2018	As at Mar 31, 2017
	ASSETS			
(1)	Non Current Assets			
	(a) Property, Plant and Equipment	2	81,155	91,415
	(b) Capital work-in-progress			-
	(c) Financial Assets			
	(i) Investments	3	31,06,73,219	31,06,73,219
	(ii) Loans	4	-	-
	Total Financial Asset		31,07,54,374	31,07,64,634
	(d) Other non current assets	5	2,22,09,76,459	2,22,09,76,459
	Total Non Current Assets		2,53,17,30,833	2,53,17,41,093
(2)	Current assets			
	(a) Inventories			-
	(b) Financial Assets			
	(i) Investments			-
	(ii) Trade receivables			-
	(iii) Cash and cash equivalents	6	31,304	31,934
	(iv) Other financial assets	7	12,820	12,820
	Total Financial Asset		44,124	44,754
	(c) Other current assets			-
	Total Current Assets		44,124	44,754
(3)	Non current assets classified as held for sale			-
	Total Assets		2,53,17,74,957	2,53,17,85,847
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share Capital	8	1,24,70,000	1,24,70,000
	(b) Other Equity		2,51,87,74,230	2,51,89,52,265
	Total Equity		2,53,12,44,230	2,53,14,22,265
	LIABILITIES			
(1)	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings			-
	(ii) Trade payables			-
	(iii) Other financial liabilities			-
	Total Financial Liabilities		-	-
	(b) Other non current liabilities			-
	Total Non Current Liabilities		-	-
(2)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings			-
	(ii) Trade payables	9	5,13,540	3,40,136
	(iii) Other financial liabilities			-
	Total Financial Liabilities		5,13,540	3,40,136
	(b) Other current liabilities	10	17,187	23,446
	Total Current Liabilities		5,30,727	3,63,582
(3)	Liabilities associated with non current assets held for sale			-
	Total Equity and Liabilities		2,53,17,74,957	2,53,17,85,847
<p>Significant Accounting Policies</p> <p>The accompanying notes form an integral part of the financial statements As per our report of even date attached.</p> <p>For M/s. B. SUJEET & CO., CHARTERED ACCOUNTANTS Firm Registration No. 0093085</p> <p style="text-align: right;">For and on behalf of the Board of Directors</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p> B. SUJEET KUMAR Proprietor Membership No. 209547</p> <p style="text-align: center;"></p> <p>Place: Hyderabad Date: 24th May 2018</p> </div> <div style="width: 45%;"> <p> R. RAMASWAMY Director DIN - 07737350</p> <p> C.S.N. PRASAD Director DIN - 07882618</p> </div> </div>				

NEW CYBERABAD CITY PROJECTS PRIVATE LIMITED
Corporate Identification Number: U45201TG2006PTC050706
Statement of Profit and Loss for the Year ended March 31, 2018

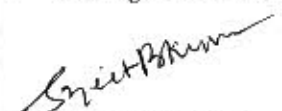
	Particulars	Note	March 31, 2018	March 31, 2017
I	Revenue from Operations		-	-
II	Other Income		-	-
III	Total Income (I + II)		-	-
IV	Expenses			
	Employee Benefit Expense and Payment to Contractors		-	-
	Finance Costs		-	-
	Depreciation and Amortisation	2	10,260	10,260
	Other Operating and General Expenses	11	5,78,221	5,98,065
	Total expenses (IV)		5,88,481	6,08,325
V	Profit Before Tax and Exception items (III - IV)		(5,88,481)	(6,08,325)
VI	Exceptional Items			
VII	Profit/ (Loss) Before Tax (V - VI)		(5,88,481)	(6,08,325)
VIII	Tax Expenses			
	Current Tax			-
	Deferred Tax			-
	Minimum Alternative Tax Credit			-
	Tax relating to earlier years			-
	Total		-	-
IX	Profit for the year after tax		(5,88,481)	(6,08,325)
X	Other Comprehensive income, net of tax			
	(A) Items that will not be reclassified subsequently to profit and loss			
	Remeasurement of loans			-
	Change in fair value of equity instruments designated irrevocably as FVTOCI			-
	Less :-income tax expense			-
	(B) Items that will be reclassified subsequently to profit and loss			
	Currency translation difference (net)			-
	Other Comprehensive income for the year, net of tax		-	-
XI	Total Comprehensive Income for the year		(5,88,481)	(6,08,325)
XII	Earnings Per Share	12		
	Basic and Diluted - (Rs.)		(0.47)	(0.49)
	Face Value per Ordinary share - (Rs.)		10.00	10.00

The accompanying notes form an integral part of the Financial Statements


As per our report of even date attached.

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

For and on behalf of the Board of Directors


 B. SUJEET KUMAR
 Proprietor
 Membership No. 209547




 R. RAMASWAMY
 Director
 DIN - 07737350


 C.S.N. PRASAD
 Director
 DIN - 07882618

Place: Hyderabad
 Date: 24th May 2018

NEW CYBERABAD CITY PROJECTS PRIVATE LIMITED
Corporate Identification Number: U45201TG2006PTC050706
Cash Flow Statement for the year ended March 31, 2018

Particulars	31-03-2018	31-03-2017
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) before taxation	(5,88,481)	(6,08,325)
Adjustments for operating activities :		
Depreciation & Amortization	10260	10,260
Provision no longer required written back		-
Operating Profit before Working Capital Changes	(5,78,221)	(5,98,065)
Adjustments for :		
(Increase)/Decrease in Inventory	-	2,980
(Increase)/Decrease Other Financial Assets		(12,820)
(Increase)/Decrease in Loans and Advances		-
Increase/(Decrease) in Current Liabilities & Trade Payable	1,67,145	1,28,909
Cash generated from operations (A)	(4,11,076)	(4,78,996)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Non-Current Investments		-
Acquisition of Fixed Assets		-
Net cash from Investing activities (B)	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Long Term Borrowings	410446	4,66,296
Secured Loans Availed		-
Net cash from financing activities (C)	4,10,446	4,66,296
Net Increase in Cash and Cash Equivalents (A+B+C)	(630)	(12,700)
Cash and cash equivalents at the beginning of the year	31,934	44,634
Cash and cash equivalents at the end of the year	31,304	31,934
Components of Cash and Cash Equivalents		
Cash and cheques on Hand		-
Balances with Banks		
-On Current Accounts	31,304	31,934
-On Deposit Accounts		
Cash and cash Equivalent (as per Note 5)	31,304	31,934

The accompanying notes form an integral part of the Financial Statements

As per our Report of even date

For M/s. B. SUJEET & CO.,

CHARTERED ACCOUNTANTS


Firm Registration No. 0093085


B. SUJEET KUMAR
Proprietor
Membership No. 209547



Place: Hyderabad
Date: 24th May 2018

For and on behalf of the Board of Directors


R. RAMASWAMY
Director
DIN - 07737350


C.S.N. PRASAD
Director
DIN - 07882618

NEW CYBERABAD CITY PROJECTS PRIVATE LIMITED
Corporate Identification Number: U45201TG2006PTC050706
Notes to Balance Sheet as at March 31, 2018
Statement of changes in equity

Particulars	Equity Share Capital	Reserves & Surplus				Other Comprehensive Income		Equity component of Parent Company	Total Equity attributable to equity holders of the company
		Security Premium Reserve	Retained Earnings	Capital Reserve	General Reserve	Business Transfer Adjustment Reserve	Equity Instruments through other comprehensive Income	Other Items of Other Comprehensive Income	
Balance as on 31st March 2016	1,24,70,000	99,76,30,000	(66,28,84,217)	-	-	-	-	-	2,53,15,64,294
Transferred to General Reserve	-	-	-	-	-	-	-	-	-
Remeasurement of the loan	-	-	-	-	-	-	-	-	4,66,286
Profit for the period	-	-	(6,08,325)	-	-	-	-	-	(6,08,325)
Balance as on 1st April 2017	1,24,70,000	99,76,30,000	(66,34,92,542)	-	-	-	-	-	2,53,14,22,265
Transferred to General Reserve	-	-	-	-	-	-	-	-	-
Remeasurement of the loan	-	-	-	-	-	-	-	-	4,10,446
Profit for the period	-	-	(5,88,481)	-	-	-	-	-	(5,88,481)
Balance as on 31st March 2018	1,24,70,000	99,76,30,000	(66,40,81,023)	-	-	-	-	-	2,53,12,41,210

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For M/s. B. SUJEET & CO.,

CHARTERED ACCOUNTANTS

Firm Registration No. 0093085

B. Sujee Kumar

B. SUJEET KUMAR

Proprietor

Membership No. 209547

Place: Hyderabad

Date: 24th May 2018



For and on behalf of the Board of Directors

R. Ramaswamy

R. RAMASWAMY

Director

DIN - 07737350

C.S.N. Prasad

C.S.N. PRASAD

Director

DIN - 07882618

NOTE 1: COMPANY'S OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

A. BACKGROUND: The Company is incorporated in the State of Telangana 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 Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("Act") (to the extent notified). The Ind AS are prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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.

(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 reliability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date.

(C) Use of Estimates

The preparation of financial statements in conformity with the Ind AS requires that the management to make estimates, judgements and assumptions. These estimates, judgements, and assumptions affect the application of accounting policies and 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. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made, if material, their effects are disclosed in the notes to the standalone financial statements.



1.2 Revenue Recognition

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

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 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Furniture – 10 years

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before each date as disclosed under 'Capital Work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

1.5 Impairment

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL unless there has been a significant increase in credit risk. From initial recognition in which case those are measured at life time ECL. The amount of expected credit losses (or reversals) that is required to adjust the loss allowance at the reporting date to the amount that is to be required to be recognized is recognized as an impairment gain or loss in the statement of profit and loss.



Intangible Assets and Property, Plant and Equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing the recoverable amount i.e. higher of the fair value less cost to sell and the value in use is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for this cash generating unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An Impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined net of (any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

1.6 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.

1.7 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.

1.8 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.



1.9 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.

1.10 Provisions, Contingent Liabilities and Contingent Assets

a) General

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. Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

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.

b) Other litigation Claims

Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.



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Notes to Balance Sheet as at March 31, 2018

Note No (2) : Property, Plant & Equipment

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2018

Gross carrying value as of April 1, 2017	1,08,000	1,08,000
Additions	-	-
Deletions	-	-
Translation difference	-	-
Gross carrying value as of March 31, 2018	1,08,000	1,08,000
Accumulated Depreciation as of April 1, 2017	16,585	16,585
Depreciation	10,260	10,260
Accumulated depreciation on deletions	-	-
Translation difference	-	-
Accumulated Depreciation as of March 31, 2018	26,845	26,845
Carrying value as of March 31, 2018	81,155	81,155
Carrying value as of March 31, 2017	91,415	91,415



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Notes to Balance Sheet as at March 31, 2018

	Particulars	As at 31st March 2018	As at 31st March 2017
Note- 3	NON CURRENT INVESTMENTS		
	Unsecured and considered good		
	Adobe	16011327	1,60,11,327
	PVP Media Pvt Ltd	291661892	29,46,61,892
	PVP Global Ventures Pvt Ltd - Fellow Subsidiary Company		-
		<u>31,06,73,219</u>	<u>31,06,73,219</u>
Note- 4	NON CURRENT LOANS AND ADVANCES		
	Unsecured and considered good		
	Loans and advances to related parties	90,00,000	90,00,000
	Other Doubtful Advances	<u>90,00,000</u>	<u>90,00,000</u>
	Less: Provision for Doubtful Advances made	<u>90,00,000</u>	<u>90,00,000</u>
		<u>-</u>	<u>-</u>
Note- 5	Non-Current Assets		
	Other Non Current Assets		
	Inventory	2,22,09,76,459	2,22,09,76,459
		<u>2,22,09,76,459</u>	<u>2,22,09,76,459</u>
Note- 6	CASH AND CASH EQUIVALENTS		
	Cash in hand		
	(as certified by management)		
	Balance with banks in current accounts	31,304	31,934
		<u>31,304</u>	<u>31,934</u>
Note- 7	OTHER FINANCIAL ASSETS		
	Advance Income Tax	12,820	12,820
		<u>12,820</u>	<u>12,820</u>
Note: 8	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
		<u>1,24,70,000</u>	<u>1,24,70,000</u>
	(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	<u>12,47,000</u>	<u>12,47,000</u>
	(C) Shareholding in the company of the holding company and their subsidiaries / associates		
	PVP Ventures Ltd & its nominee	10,10,000	10,10,000
		<u>10,10,000</u>	<u>10,10,000</u>
	(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
		<u>12,47,000</u>	<u>12,47,000</u>
	Name of shareholder	% as at year end	
	PVP Ventures Ltd & its nominee	81	81
	Erebus Projects Private Limited	19	19
		<u>100</u>	<u>100</u>



NEW CYBERABAD CITY PROJECTS PRIVATE LIMITED
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Notes to Balance Sheet as at March 31, 2018

Particulars	As at 31st March 2018	As at 31st March 2017
(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.

Note- 9

TRADE PAYABLE

Sundry Creditors for services

5,13,540	3,40,136
<u>5,13,540</u>	<u>3,40,136</u>

Note- 10

OTHER CURRENT LIABILITIES

TDS - Professional services

TDS - Contract Services

10,000	10,000
7,187	13,446
<u>17,187</u>	<u>23,446</u>



NEW CYBERABAD CITY PROJECTS PRIVATE LIMITED
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Notes to the Statement of Profit & Loss Account for the Year Ended March 31, 2018

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Note- 11	Other Expenses		
	Rates and taxes	27,000	5,250
	Payment to statutory auditors as Audit fee	1,18,000	1,15,000
	Bank Charges	630	630
	Legal, professional and consultancy	11,500	11,500
	Security charges	4,21,091	4,48,860
	Miscellaneous Expenses	-	16,825
		<u>5,78,221</u>	<u>5,98,065</u>



NOTE 12. OTHER ITEMS

- 12.1** 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. 222.09 Crores). The carrying value of said land is considered under Other Non Current Assets signifying the long gestation time required for its development.
- 12.2** The interest free loan given by the Holding Company M/s PVP Ventures Limited amounting to Rs. 218.43 lakhs (PY: 218.43 lakhs) is secured against the immovable property owned by the Company.
- 12.3** The Company 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 Rs. 34.07 crores (PY: 40.19 crores) to the banker by Third party. The Third party has defaulted on its commitment to the bank as at the year end. However, the Third Party is confident to repay the said loan account entirely by June, 2018 with its incoming cash flows.
- 12.4** 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.
- 12.5** There is an Income Tax demand for Rs. 8.26 crores for Assessment Year 2015-16 pursuant to scrutiny proceedings u/s 143(3). However the Company has preferred an appeal with the Commissioner of Income Tax (Appeals) and confident of being successful in the appeal.
- 12.6** All the bank accounts with bank balance of Rs. 31,304 as at 31st March, 2018 have been attached by the Income Tax department pursuant to the aforesaid Income Tax Demand of Rs. 8.26crores. Hence the aforesaid bank balance is not freely available.

12.7 Earnings per Share

Particulars	Ref	Year ended March 31, 2018	Year ended March 31, 2017
Profit/ (Loss) before Exceptional Items (in Rs.)	A	(5,88,481)	(6,08,325)
Number of shares outstanding	B	1,247,000	1,247,000
Earnings per share after Exceptional Items - Basic and Diluted (₹.)	A/B	(0.47)	(0.49)



12.8 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 (PVPMVPL)	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, 2018	Year ended March 31, 2017	March 31, 2018	March 31, 2017
	(in Rs.)	(in Rs.)	(in Rs.)	(in Rs.)
(i) Loans / Advances given (Net)				
(a) PVPGVPL	(4,10,446)	(4,66,296)	(8,76,742)	(4,66,296)
(b) PVPMVPL	Nil	Nil	29,46,61,892	29,46,61,892
(c) ARPL	Nil	Nil	1,60,11,327	1,60,11,327
(ii) Secured Interest Free Loan availed				
(a) Holding Company (PVP)	Nil	Nil	218,43,48,511	218,43,48,511
(a) PVPGVPL	4,10,446	4,66,296	8,76,742	4,66,296

12.9 The Company has not recognized deferred tax asset on carry forward losses on the grounds of prudence.

12.10 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 amount unpaid as at the year-end together with the interest paid / payable as required under the said Act have not been given.

12.11 Loans and Advances given to fellow subsidiary companies with no repayment schedule and carrying nil rate of interest has been considered as Investments in Equity in those companies. Further, borrowings from Holding Company and other group companies with no specific repayment period and carrying nil rate of interest has been considered as Other Equity.

12.12 The Company has made investments in real estate. The Company is unable to develop its real estate 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 Holding Company and other group companies.

12.13 Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed.

Financial assets and liabilities

The carrying value of financial instruments by categories are as follows:

Particulars	As at 31 st March, 2018		
Financial Assets	FVTPL	FVTOCI	Amortized Cost
Investments		31,06,73,219	
Cash and Cash Equivalents			31,304
Total		31,06,73,219	31,304
Financial Liabilities			
Trade Payables			5,13,540
Other Current Liabilities			17,187
Total			5,30,727

Particulars	As at 31 st March, 2017		
Financial Assets	FVTPL	FVTOCI	Amortized Cost
Investments		31,06,73,219	
Cash and Cash Equivalents			31,934
Total		31,06,73,219	31,934
Financial Liabilities			
Trade Payables			3,40,136
Other Current Liabilities			23,446
Total			3,63,582

Assets and liabilities that are not financial assets or liabilities are not included.

The carrying amounts of cash and cash equivalent, certain borrowings, trade payables and other financial liabilities are considered to be the same as their fair values due to their short term in nature.




New Cyberabad City Projects Private Limited
Corporate Identification Number: U450201TG2006PTC050706
Notes forming part of the financial statements for the year ended March 31, 2018

12.14 Explanatory notes 1 to 12 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.009308S

For and on behalf of the Board of Directors


B. Sujeet Kumar
(Proprietor)
M. No : 209547
Place: Hyderabad
Date: 24th May, 2018




R. Ramaswamy
(Director)
DIN: 07737350


C.S.N Prasad
(Director)
DIN: 07882618