

Independent Auditor's Report

To the Members of Expressions Real Estates Private Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Expressions Real Estates Private Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement for the year then ended, notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (herein after referred as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019 and its Loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's responsibilities for the audit of Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and we have fulfilled our other ethical requirements in accordance with these requirements and the ICAI's code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty relating to Going Concern

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

- a) Note No.11.7 in the financial statements which indicates that the Company has accumulated losses and its net worth is fully eroded, the Company has incurred loss during the current and previous year(s) and the Company's current liabilities exceeded its current asset as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.



Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined there are no matters to be the key audit matters to be communicated in our report.

Responsibilities of Management and those charged with Governance 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 including other comprehensive income, changes in equity and 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.

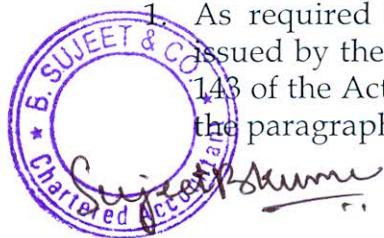
This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but it is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could be reasonably be expected to influence the economic decision of the users taken on the basis of these financial statements.

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 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 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019 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. 11.3
 - 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

Sujeet Kumar

B. Sujeet Kumar

Proprietor

Membership number: 209547

Hyderabad

18th May, 2018



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 2018, we report that:

- (i) The Company does not have any fixed assets during the year. Hence paragraph 3(i) of the Order is not applicable to the Company.
- (ii) The Company is a real estate company and has inventory of land. The Company has at regular intervals physical verification of inventory and no material discrepancies have been found on such verification. However, the Company has to update revenue records of the land maintained with the Government of Telangana in respect of the agricultural land it owns.
- (iii) The Company has not granted loans to two body corporates covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). There is no stipulation as regards the rate of interest and the period of repayment. Hence we are able to comment whether the said loans are prejudicial to the interests of the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the Section 185 and 186 of the Companies Act, 2013.
- (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 2019 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 dues of duty of customs or any tax 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

Sujeet Kumar

B. Sujeet Kumar

Proprietor

Membership number: 209547



Hyderabad

18th May, 2019

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 Expressions Real Estates Private Limited ("the Company") as of 31 March 2019 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 Ultimate Holding Company. Hence there is no internal control framework in place in the Company.
- b) The Company is sluggish on follow up on collection of its advances given thereby running the potential risk of default by the borrower.



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, 2019.

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 financial statements of the Company.

For **B. Sujeet & Co.**
Chartered Accountants
Firm's Registration Number: 009308S



B. Sujeet Kumar
Proprietor
Membership Number: 209547
Hyderabad.
18th May, 2019



	Particulars	Note No.	As at Mar 31, 2019	As at Mar 31, 2018	As at April 1, 2017
	ASSETS				
(1)	Non Current Assets				
	(a) Property, Plant and Equipment		-	-	-
	(b) Capital work-in-progress		-	-	-
	(c) Investment Property		-	-	-
	(d) Goodwill		-	-	-
	(e) Other Intangible assets		-	-	-
	(f) Intangible assets under development		-	-	-
	(d) Financial Assets		-	-	-
	(i) Investments	2	3,710,574	3,240,676	2,830,285
	(ii) Loans & Advances		-	-	-
	(iii) Trade receivables		-	-	-
	(iii) Service concession receivables		-	-	-
	(iv) Loans		-	-	-
	(v) Other financial assets		-	-	-
	Total Financial Asset		3,710,574	3,240,676	2,830,285
	(h) Deferred tax assets (net)	3	92,325,680	92,325,680	92,325,680
	(d) Other non current assets		96,036,254	95,566,356	95,155,965
	Total Non Current Assets				
(2)	Current assets				
	(a) Inventories		-	-	-
	(b) Financial Assets		-	-	-
	(i) Investments		-	-	-
	(ii) Trade receivables		-	-	-
	(iii) Service concession receivables	4	2,900,500	55,448,240	55,448,240
	(iv) Loans	5	70,372	70,372	85,972
	(v) Cash and cash equivalents		-	-	-
	(vii) Other financial assets		-	-	-
	Total Financial Asset		2,970,872	55,518,612	55,534,212
	(c) Current tax assets (Net)		-	-	-
	(c) Other current assets		-	-	-
	Total Current Assets		2,970,872	55,518,612	55,534,212
(3)	Non current assets classified as held for sale		-	-	-
	Total Assets		99,007,125	151,084,967	150,690,176
	EQUITY AND LIABILITIES				
	EQUITY				
	(a) Equity Share Capital	6	100,000	100,000	100,000
	(b) Other Equity		77,256,889	(34,431,033)	(34,808,124)
	Total Equity		77,356,889	(34,331,033)	(34,708,124)
	LIABILITIES				
(1)	Non Current Liabilities				
	(a) Financial Liabilities		-	-	-
	(i) Borrowings		-	-	-
	(ii) Trade payables		-	-	-
	(iii) Other financial liabilities		-	-	-
	Total Financial Liabilities		-	-	-
	(a) Provisions		-	-	-
	(c) Deferred tax liabilities (Net)		-	-	-
	(b) Other non current liabilities		-	-	-
	Total Non Current Liabilities		-	-	-
(2)	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	7	21,600,736	185,357,700	185,357,701
	(ii) Trade payables	8	49,500	58,300	40,600
	(iii) Other financial liabilities		-	-	-
	Total Financial Liabilities		21,650,236	185,416,000	185,398,301
	(b) Other current liabilities		-	-	-
	(c) Provisions		-	-	-
	(d) Current tax liabilities (Net)		-	-	-
	Total Current Liabilities		21,650,236	185,416,000	185,398,301
(3)	Liabilities associated with non current assets held for sale		-	-	-
	Total Equity and Liabilities		99,007,125	151,084,967	150,690,176

Significant Accounting Policies

1

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. 009308S

For and on behalf of the Board of Directors

Sujeet Kumar

B. SUJEET KUMAR
Proprietor
Membership No. 209547



P. R. Prakash

P. BHANU PRAKASH
Director
DIN - 05274446

C.S.N. Prasad

C.S.N. PRASAD
Director
DIN - 07882618

Place: Hyderabad
Date: 18th May 2019

EXPRESSIONS REAL ESTATES PRIVATE LIMITED
Corporate Identification Number: U70102TG2007PTC052884
Statement of Profit and Loss for the Year ended March 31, 2019

AMOUNT IN Rs.

	Particulars	Note	Year ended March 31, 2019	Year ended March 31, 2018
I	Revenue from Operations	9		
II	Other Income		469,898	410,391
III	Total Income (I + II)		469,898	410,391
IV	Expenses			
	Employee Benefit Expense and Payment to Contractors	10	-	-
	Finance Costs		-	-
	Depreciation and Amortisation		52,586,140	33,300
	Other Operating and General Expenses		52,586,140	33,300
	Total expenses (IV)		(52,116,242)	377,091
V	Profit Before Tax and Exception items (III - IV)		-	-
VI	Exceptional Items		(52,116,242)	377,091
VII	Profit/(Loss) Before Tax (V - VI)		-	-
VIII	Tax Expenses			
	Current Tax		-	-
	Deferred Tax		-	-
	Minimum Alternative Tax Credit		-	-
	Tax relating to earlier years		-	-
	Total		(52,116,242)	377,091
IX	Profit for the year after tax (VII - VIII)			
X	Other Comprehensive income, net of tax			
	(A) Items that will not be reclassified subsequently to profit and loss			
	Change in fair value 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		(52,116,242)	377,091
XI	Total Comprehensive Income for the year (IX - X)			
XII	Earnings Per Share	11		
	Basic and Diluted - (Rs.)		(5,211.62)	37.71
	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. 009308S

Sujeet Kumar

B. SUJEET KUMAR
Proprietor
Membership No. 209547

Place: Hyderabad
Date: 18th May 2019






For and on behalf of the Board of Directors

P. Bhanu Prakash

P. BHANU PRAKASH
Director
DIN - 05274446

C.S.N. Prasad

C.S.N. PRASAD
Director
DIN - 07882618

Particulars	31-03-2019	31-03-2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	(52,116,242)	377,091
Adjustments for:		
Interest paid	-	-
Provision Doubtful Advances	52,547,740	
Interest Income	(469,898)	(410,391)
Operating Profit Before Working Capital changes	(38,400)	(33,300)
Adjustments for:		
Increase/(Decrease) in Trade Payables	(8,800)	17,700
Increase/(Decrease) in Other Current Liabilities	-	-
(Increase)/Decrease in Long Term Loans & Advances	-	-
(Increase)/Decrease in Other Current Assets	-	-
(Increase)/Decrease in Other Non - Current Assets	-	-
(Increase)/Decrease in Short Term Loans & Advances	-	-
Cash Generated from Operations	(47,200)	(15,600)
Direct Taxes paid		
Net Cash from Operating Activities	(47,200)	(15,600)
B. CASH FROM INVESTING ACTIVITIES		
Purchase of Investments	-	
Increase/(Decrease) of Loans & Advances	-	
Interest Earned	-	-
Dividend Earned	-	-
Net Cash used in Investing Activities	-	-
C. CASH FROM FINANCING ACTIVITIES		
Proceeds From Long Term Borrowings	47,200	-
Repayment of Short Term Borrowings	-	
Net Cash from Financing Activities	47,200	-
Net increase in cash and cash equivalents	-	(15,600)
Cash and cash equivalents at the beginning of the year	70,372	85,971
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	70,372	70,372
Components of Cash and Cash Equivalents		
Cash and cheques on Hand	57,099	57,099
Balances with Banks		
-On Current Accounts	13,273	13,273
-On Deposit Accounts		
Cash and cash Equivalent (as per Note 3)	70,372	70,372
The accompanying notes form an integral part of the Financial Statements		
As per our report of even date attached.		
For B.Sujeet & Co.	For and on behalf of the Board of Directors	
Chartered Accountants		
Firm Regn No. 009308S		
		
B.Sujeet Kumar Proprietor M.No: 209547	P. BHANU PRAKASH Director DIN - 05274446	C.S.N. PRASAD Director DIN - 07882618
Place: Hyderabad Date: 18th May 2019		

EXPRESSIONS REAL ESTATES PRIVATE LIMITED
Corporate Identification Number: U70102TG2007PTC052884
Statement of Changes in Equity for the Period ended March 31, 2019

AMOUNT IN Rs.

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 01st April 2017	100,000	-	(34,808,124)	-	-	-	-	-	-	-34,708,124
Transferred to General Reserve	-	-	-	-	-	-	-	-	-	-
Remeasurement of the loans	-	-	-	-	-	-	-	-	-	-
Remeasurement of the net defined benefit liability/asset , net of tax effect	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	377,091	-	-	-	-	-	-	377,091
Balance as on 31st March 2018	100,000	-	(34,431,033)	-	-	-	-	-	-	-34,331,033
Transferred to General Reserve	-	-	-	-	-	-	-	-	-	-
Remeasurement of the loans	-	-	-	-	-	-	-	-	163,804,164	163,804,164
Remeasurement of the net defined benefit liability/asset , net of tax effect	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	(52,116,242)	-	-	-	-	-	-	(52,116,242)
Balance as on 31st March 2019	100,000	-	(86,547,275)	-	-	-	-	-	163,804,164	77,356,889

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

Sujeet Kumar

B. SUJEET KUMAR

Proprietor

Membership No. 209547

Place: Hyderabad

Date: 18th May 2019



For and on behalf of the Board of Directors

P. Bhanu Prakash

P. BHANU PRAKASH

Director

DIN - 05274446

C.S.N. TRASAD

C.S.N. TRASAD

Director

DIN - 07882618

EXPRESSIONS REAL ESTATES PRIVATE LIMITED
Corporate Identification Number: U70102TG2007PTC052884

Notes forming part of the financial statements for the year ended March 31, 2019

NOTE 1: COMPANY'S OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

A. **BACKGROUND:** Expressions Real Estates Private Limited (Corporate Identification Number: U70102TG2007PTC052884) was incorporated in the year 2007. The Company is into Real Estate sector. The Company has its place of business in Hyderabad, India. During the year, the Company has become a wholly owned subsidiary of M/s. PVP Global Ventures Private Limited.

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.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101. – First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliation Statement of Balance Sheet and Statement of Profit and Loss between previous GAAP and Ind AS has been enclosed.

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.



EXPRESSIONS REAL ESTATES PRIVATE LIMITED
Corporate Identification Number: U70102TG2007PTC052884

Notes forming part of the financial statements for the year ended March 31, 2019

(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 Inventories

Inventories primarily constitute land and related development activities, which is valued at lower of cost or Net Realizable Value. Cost comprises of all expenses incurred for the purpose of acquisition of land and development of the same.

1.3 Borrowing Cost

- a) Expenditure on borrowing cost on the loans obtained specifically for acquisition, construction or production of qualifying assets are capitalized as part of the cost of that asset.
- b) All other borrowing costs are recognized as expense in the period in which they are incurred.

1.4 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.



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Notes forming part of the financial statements for the year ended March 31, 2019

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.

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

1.6 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



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Notes forming part of the financial statements for the year ended March 31, 2019

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.

1.7 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.

1.8 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.



Particulars	As at 31st March 2019	As at 31st March 2018	As at 01st April 2017
Note: 2 NON CURRENT ASSETS			
Loans			
Loan to Related Party	3,710,574		
Others		3,240,676	2,830,285
	<u>3,710,574</u>	<u>3,240,676</u>	<u>2,830,285</u>
Note: 3 NON CURRENT ASSETS			
Inventories			
Land	92,325,680	92,325,680	92,325,680
	<u>92,325,680</u>	<u>92,325,680</u>	<u>92,325,680</u>
Note: 4 Loans			
Short Term Loans			
Loans & Advances to Related Parties	2,600,500	52,903,500	52,903,500
Intercompany Loans	300,000	2,544,740	2,544,740
Unsecured, Considered Doubtful			
Other Loans & Advances	57,547,740	5,000,000	5,000,000
Less: Provision for bad debts	(57,547,740)	(5,000,000)	(5,000,000)
	<u>2,900,500</u>	<u>55,448,240</u>	<u>55,448,240</u>
Note: 5 CASH AND CASH EQUIVALENTS			
Cash in hand	57,099	57,099	72,699
(as certified by management)			
Balance with banks in current accounts	13,273	13,273	13,273
	<u>70,372</u>	<u>70,372</u>	<u>85,972</u>
Note: 6 SHARE CAPITAL			
(A) Authorised, Issued, Subscribed and Paid-up share capital and par value per share			
Authorised Share Capital			
10,000 Equity Shares of Rs. 10/- each	100,000	100,000	100,000
Issued, Subscribed and Paid Up			
10,000 Equity Shares of Rs. 10/- each	100,000	100,000	100,000
	<u>100,000</u>	<u>100,000</u>	<u>100,000</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	10,000	10,000	10,000
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>10,000</u>	<u>10,000</u>	<u>10,000</u>
(C) Rights, preferences and restrictions attaching to various classes of shares	NIL	NIL	NIL
(D) Shareholding in the company of the holding company and ultimate holding company and their subsidiaries / associates			
V R Arasu	-	5,000	5,000
K Paradasaradhi	-	5,000	5,000
PVP Global Ventures Private Limited and it's nominees	10,000		
(E) Shares in the company held by each shareholder holding more than 5%:			
Name of shareholder			No of shares at year end
V R Arasu	-	5,000	5,000
K Paradasaradhi	-	5,000	5,000
PVP Global Ventures Private Limited and it's nominees	10,000		
	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Name of shareholder			% as at year end
V R Arasu	-	50.00	50.00
K Paradasaradhi	-	50.00	50.00
PVP Global Ventures Private Limited and it's nominees	100		
	<u>100</u>	<u>100</u>	<u>100</u>



Particulars	As at 31st March 2019	As at 31st March 2018	As at 01st April 2017
(F) Shares reserved for issue under options and contracts:	NIL	NIL	NIL
(G) Commitments for sale of shares/ divestment	NIL	NIL	NIL
(H) Details of allotment of shares for consideration other than cash, allotments of bonus shares and shares bought back.	NIL	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: 7

Current Liabilities

Financial Liabilities

Borrowings

(Unsecured)

Intercompany Loans

Loan provided by other companies

21,600,736	21,600,736	21,600,736
-	163,756,964	163,756,965
21,600,736	185,357,700	185,357,701
49,500	58,300	40,600
49,500	58,300	40,600

Note: 8

TRADE PAYABLE

Sundry Creditors for services



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Notes to the Statement of Profit & Loss Account for the Year Ended March 31, 2019

AMOUNT IN Rs.

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Note: 9	Other Income		
	Interest Income	469,898	410,391
		<u>469,898</u>	<u>410,391</u>
Note: 10	Other Expenses		
	Rates and taxes	20,700	15,600
	Payment to statutory auditors as Audit fee	- 17,700	- 17,700
	Provision for Doubtful Advances	52,547,740	
		<u>52,586,140</u>	<u>33,300</u>



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Notes forming part of the financial statements for the year ended March 31, 2019

Note No. 11 Other Items

11.1 First-time adoption of Ind-AS

These financial statements of Expressions Real Estates Private Limited for the year ended 31s March, 2019 have been prepared in accordance with Ind AS. For the purpose of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 – First Time adoption of Indian Accounting Standard, with April 1, 2018 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the standalone financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note No.1 have been applied in preparing the financial statements for the year ended March 31, 2019 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet and Statement of Profit and Loss is enclosed with the financials.

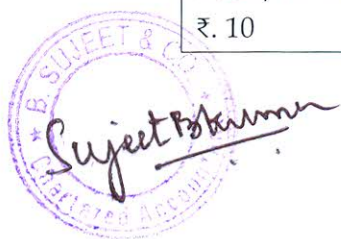
11.2 The Company purchased land during the financial year 2007-08 comprising 44 Acres and 10 Guntas at Nadergul Village, Ranga Reddy District based on the funds provided by New Cyberabad City Project Private Ltd (NCCPL) and had given the development rights for development of the same to NCCPL.

11.3 During the course of legal case against the SEBI's penalty order for Insider Trading, the Holding Company had to provide around 8 Acres of the aforesaid land parcel as security deposit to SEBI before going for appeal against the said order and the said fellow subsidiary has not remitted the dues yet.

11.4 Borrowings from related parties with no specific rate of interest and repayment period have been disclosed under "Other Equity".

11.5 Earnings per Share (EPS)

Earnings		Year Ended 31-03-2019	Year Ended 31-03-2018
Net Profit for the year ₹	A	(5,21,16,242)	(33,300)
Shares			
No. of shares outstanding during the year	B	10,000	10,000
Basic/Diluted Earnings per share of par value ₹. 10	A/B	(5,211.62)	(3.33)



EXPRESSIONS REAL ESTATES PRIVATE LIMITED
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Notes forming part of the financial statements for the year ended March 31, 2019

11.6 Related Party Transactions

a) Names of related parties and description of relationship:

Description of relationship	Names of related parties
Fellow Subsidiary of its Holding Company	New Cyberabad City Projects Private Limited
Holding Company	PVP Global Ventures Private Limited
Fellow Subsidiary	Adobe Realtors Pvt Ltd
Fellow Subsidiary	Arete Real Estate Developers Pvt Ltd

b) Summary of transactions with the related parties, during the year ended March 31, 2019 and balances as at the March 31, 2019.

Nature of transactions	Transactions for the Year Ended (₹)		Balance outstanding as at (₹)	
	Mar 31, 2019	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018
Finance Cost				
Adobe Realtors Pvt Ltd	4,69,898	4,10,391	NA	NA
Unsecured Loans given(Net)				
Adobe Realtors Pvt Ltd	4,69,898	4,10,391	37,10,574	32,40,676
Arete Real Estate Developers Pvt Ltd	Nil	Nil	26,00,500	26,00,500
Unsecured Loans Aailed (Net)				
New Cyberabad City Projects Private Limited	Nil	Nil	16,41,64,735	16,41,64,735
PVP Global Ventures Private Limited	47,200	Nil	47,200	Nil



EXPRESSIONS REAL ESTATES PRIVATE LIMITED
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Notes forming part of the financial statements for the year ended March 31, 2019

- 11.7 The Company has made investments in real estate. The Company's net worth is fully eroded and the ability of the Company to continue as a going concern depends on support from its Holding Company and other group companies.
- 11.8 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 amount unpaid as at the year-end together with the interest paid / payable as required under the said Act have not been given.
- 11.9 In view of the uncertainty in the future income and profitability of the Company, the Company has not recognized Deferred Tax Asset on carry forward losses on the grounds of prudence.

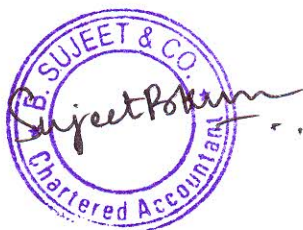
11.10 Financial Instruments

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, 2019		
	FVTPL	FVTOCI	Amortized Cost
Financial Assets			
Loans & Advances		-	66,11,074
Cash and Cash Equivalents			70,372
Total		-	66,81,445
Financial Liabilities			
Borrowings			2,16,00,736
Trade Payables			49,500
Other Current Liabilities			-
Total			2,16,50,236



EXPRESSIONS REAL ESTATES PRIVATE LIMITED**Corporate Identification Number: U70102TG2007PTC052884**

Notes forming part of the financial statements for the year ended March 31, 2019

Particulars	As at 31 st March, 2018		
Financial Assets	FVTPL	FVTOCI	Amortized Cost
Loans & Advances		-	5,86,88,916
Cash and Cash Equivalents			70,372
Total		-	5,97,59,287
Financial Liabilities			
Borrowings			18,53,57,700
Trade Payables			58,300
Other Current Liabilities			-
Total			18,54,16,000

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.

- 11.11 Loans given which are repayable on demand and carrying no interest is shown under Current Assets.
- 11.12 Explanatory notes 1 to 11 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

Sujeet Kumar

B. Sujeet Kumar
(Proprietor)

M. No : 209547

Place: Hyderabad

Date: 18th May 2019



P. Bhanu Prakash

P. BHANU PRAKASH
(Director)
DIN: 05274446

C.S.N. Prasad

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

Reconciliation of equity as previously reported under IGAAP in Ind AS

Particulars	Note No.	Opening Balance Sheet as at April 1, 2017			Balance Sheet as at March 31, 2018		
		IGAAP	Effects of transition to Ind-AS	Ind - AS	IGAAP	Effects of transition to Ind-AS	Ind - AS
ASSETS							
Non Current Assets							
(a) Property, Plant and Equipment		-	-	-	-	-	-
(b) Capital work-in-progress		-	-	-	-	-	-
(c) Investment Property		-	-	-	-	-	-
(d) Goodwill		-	-	-	-	-	-
(e) Other Intangible assets		-	-	-	-	-	-
(f) Intangible assets under development		-	-	-	-	-	-
(g) Financial Assets							
(i) Investments		-	-	-	-	-	-
(ii) Trade receivables		-	-	-	-	-	-
(iii) Service concession receivables		-	-	-	-	-	-
(iv) Loans		5,000,000	2,169,715	2,830,285	5,000,000	1,759,324	3,240,676
(v) Other financial assets		-	-	-	-	-	-
Total Financial Asset		5,000,000	2,169,715	2,830,285	5,000,000	1,759,324	3,240,676
(h) Deferred tax assets (net)		-	-	-	-	-	-
(i) Other non current assets		92,686,250	360,570	92,325,680	92,686,250	360,570	92,325,680
Total Non Current Assets		97,686,250	2,530,285	95,155,965	97,686,250	2,119,894	95,566,356
Current assets							
(a) Inventories		-	-	-	-	-	-
(b) Financial Assets							
(i) Investments		-	-	-	-	-	-
(ii) Trade receivables		-	-	-	-	-	-
(iii) Service concession receivables		-	-	-	-	-	-
(iv) Loans		55,448,240	-	55,448,240	55,448,240.00	-	55,448,240
(v) Cash and cash equivalents		85,972	-	85,972	70,372	-	70,372
(vi) Bank balances		-	-	-	-	-	-
(vii) Other financial assets		-	-	-	-	-	-
Total Financial Asset		55,534,212	-	55,534,212	55,518,612	-	55,518,612
(c) Current tax assets (Net)		-	-	-	-	-	-
(d) Other current assets		-	-	-	-	-	-
Total Current Assets		55,534,212	-	55,534,212	55,518,612	-	55,518,612
Non current assets classified as held for sale		-	-	-	-	-	-
Total Assets		153,220,462	2,530,285	150,690,176	153,204,861	2,119,894	151,084,967
EQUITY AND LIABILITIES							
EQUITY							
(a) Equity Share Capital		100,000	-	100,000	100,000	-	100,000
(b) Other Equity		(32,638,409)	(2,169,715)	(34,808,124)	(32,671,709)	(1,759,324)	(34,431,033)
Total Equity		(32,538,409)	(2,169,715)	(34,708,124)	(32,571,709)	(1,759,324)	(34,331,033)
LIABILITIES							
Non Current Liabilities							
(a) Financial Liabilities							
(i) Borrowings		-	-	-	-	-	-
(ii) Trade payables		-	-	-	-	-	-
(iii) Other financial liabilities		-	-	-	-	-	-
Total Financial Liabilities		-	-	-	-	-	-
(b) Provisions		-	-	-	-	-	-
(c) Deferred tax liabilities (Net)		-	-	-	-	-	-
(d) Other non current liabilities		-	-	-	-	-	-
Total Non Current Liabilities		-	-	-	-	-	-
Current Liabilities							
(a) Financial Liabilities							
(i) Borrowings		185,718,271	(360,570)	185,357,701	185,718,270	(360,570)	185,357,700
(ii) Trade payables		40,600	-	40,600	58,300	-	58,300
(iii) Other financial liabilities		-	-	-	-	-	-
Total Financial Liabilities		185,758,871	(360,570)	185,398,301	185,776,570	(360,570)	185,416,000
(b) Other current liabilities		-	-	-	-	-	-
(c) Provisions		-	-	-	-	-	-
(d) Current tax liabilities (Net)		-	-	-	-	-	-
Total Current Liabilities		185,758,871	(360,570)	185,398,301	185,776,570	(360,570)	185,416,000
Liabilities associated with non current assets held for sale		-	-	-	-	-	-
Total Equity and Liabilities		153,220,462	(2,530,285)	150,690,176	153,204,861	(2,119,894)	151,084,967

Explanation for reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS.

- Borrowings**
Adjustments includes impact of discounting the loan
- Other Equity**
Adjustments to retained earnings and other comprehensive income has been made in accordance with IndAS, for the above mentioned line items
- Other Non-Current Assets**
Adjustment of Inventory value on account of reconciliation with in the group companies.

Reconciliation Statement of Profit and Loss as previously reported under IGAAP in Ind AS

	Profit & Loss Account as at March 31, 2018		
	IGAAP	Effects of transition to Ind-AS	Ind - AS
Income			
Revenue from Operations	-	-	-
Other Income	-	410,391	410,391
Total	-	410,391	410,391
Expenses			
Employee Benefit Expense and Payment to Contractors			-
Finance Costs		-	-
Depreciation and Amortisation			-
Other Operating and General Expenses	33,300		33,300
Total	33,300	-	33,300
Profit Before Tax and Exception items	(33,300)		377,091
Exceptional Items	-	-	-
Profit/ (Loss) Before Tax	(33,300)	-	377,091
Tax Expenses			
Current Tax			-
Deferred Tax	-		-
Minimum Alternative Tax Credit	-		-
Tax relating to earlier years	-		-
Total	-	-	-
Profit for the year after tax	(33,300)	-	377,091
Other Comprehensive income, net of tax			
Items that will not be reclassified subsequently to profit and loss			
Remeasurement of defined benefit obligation	-		-
	-	-	-
Items that will be reclassified subsequently to profit and loss			
Currency translation difference (net)	-		-
	-	-	-
Other Comprehensive income for the year, net of tax	-	-	-
Total Comprehensive Income for the year	(33,300)	-	377,091
Earnings Per Share			
Basic and Diluted - (₹)	(3.33)		37.71
Face Value per Ordinary share - (₹)	10.00		10.00

The accompanying notes form an integral part of the Financial Statements

Explanation for reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS.

Adjustments reflect impact of discounting pertaining to Borrowings