M.N. RAO & ASSOCIATES
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To The Members of **APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED**

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying Ind AS financial statements of **APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to 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 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 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 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control 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 there under. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of theInd AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 March 31, 2018, its **Profit** including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our Knowledge and belief were necessary for the purpose of our audit;

(b) In our opinion, proper books of 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, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act,

(e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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"** to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For M.N.Rao& Associates
Chartered Accountants
Firm Registration Number: 005386S

Place: Hyderabad
Date:30-08-2018

M.V.Ratnam
Partner
Membership No.008374

Annexure A to the Auditors' Report (referred to in paragraph 1 of our Report of even date to the Members of "APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED" for the year ended March 31, 2018)

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that;

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) According to the information and explanation given to us the title deeds of immovable properties are held in the name of the company.

ii. The Company has conducted physical verification of the inventory at regular intervals and no material discrepancies were noticed during such verification.

iii. As per the information and records made available .The company has granted unsecured loans to companies covered in the register maintained under section 189 of the companies act 2013 (the Act). The company has not granted any loans, secured or unsecured, to firms or other partied covered in the register required to be maintained under section 189 of the act.

a) According to the information and explanations given to us and based on the audit procedure conducted by us, We are of the opinion that the rate of interest and other terms and conditions of unsecured loans granted by the company to companies covered in the register required to be maintained under section 189 of the Act are not, prima facie, prejudicial to the interest of the company.

b) According to the information and explanations given to us and based on the audit procedure conducted by us, the unsecured loans granted to companies and interest thereon are repayable on demand. The borrowers have been regular in payment of principal and interest as demanded.

c) There are no overdue amounts of more than 90 days in respect of the unsecured loans granted to companies by the company.

iv. In our opinion and according to the information and explanation given to us, the company has complied with the provisions of Sections 185 and 186 of the Act, with the respect of the loan given, investment made, guarantees and security given.

v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

vi. We have broadly reviewed the books of account maintained by the Company prescribed by the Central Government for the maintenance of cost records under section 148 (1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not maintained a detailed examination of the records.

vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company is regular in depositing undisputed statutory dues including Provident Fund, Service Tax, Employee's state insurance, Professional Tax and Income Tax with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanation given to us, the following are the disputed statutory dues under Entry tax, Service tax and amounts deposited as on 31st March 2017 on account of disputes.

Name of the statue	Nature of the dues	Disputed Amounts (Rs. In lacs)	Deposited Amounts (Rs. In lacs)	Period to which the amount relates	Forum where dispute is pending
Service Tax -- Finance Act,1994	Service Tax	8.07	4.25	2007-08	CESTAT , Hyderabad
Service Tax -- Finance Act,1994	Service Tax	318.64	23.89	2008-09	CESTAT , Hyderabad
Service Tax - Finance Act,1994	Service Tax	1,305.99	-	2011-13	CESTAT , Hyderabad
Service Tax – Finance Act,1994	Service Tax	162.33	-	2013-14	CESTAT , Hyderabad
Service Tax Finance Act,1994	Service Tax	954.84	-	2014-15	CESTAT , Hyderabad
VAT Act, 2005	Entry Tax	7.30	1.82	2011-12	High court of Andhra pradesh and Telangana
VAT Act, 2005	Entry Tax	50.46	12.61	2012-13	High court of Andhra pradesh and Telangana
VAT Act, 2005	Entry Tax	95.28	23.82	2013-14	High court of Andhra pradesh and Telangana
VAT Act, 2005	Entry Tax	119.72	29.93	2014-15	High court of Andhra pradesh and Telangana

VAT Act. 2005	Entry Tax	118.12	29.53	2015-16	High court of Andhra pradesh and Telangana
VAT Act, 2005	Entry Tax	59.22	14.80	2016-17	High court of Andhra pradesh and Telangana
Total		**3,199.97**	**140.67**		

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions.

ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

xi. Based upon the audit procedures performed and the information and explanations given by the management, the provisions of section 197 read with Schedule V to the Companies Act doesn't apply to the Company. Hence reporting under this clause is not necessary.

xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

xiii. In our opinion, all transactions with the related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable Indian Accounting Standards (Ind AS) 24. Related party Disclosures specified under section 133 of the act. Read with Rule 3 of Companies(Indian Accounting Standards) Rules 2015.

xiv. According to the information and explanation 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. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 .Thus paragraph 3(iv) of the order is not applicable to the company.

For **For M.N.Rao& Associates,**
Chartered Accountants
Firm Registration Number: 005386S

M.V.Ratnam
Partner
Membership No.008314

Place: Hyderabad
Date: 31-08-2018

Annexure B to the Auditors' Report (referred to in paragraph 1 of our Report of even date to the Members of "APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED" for the year ended March 31, 2018)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of **APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED**

We have audited the internal financial controls over financial reporting of **APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED** ("the Company") as of March 31, 2018 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. 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 the 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.

Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 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

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M.N.Rao& Associates,
Chartered Accountants
Firm Registration Number: 005386S

M.V.Ratnam
Partner
Membership No.008314

Place: Hyderabad
Date:31-08-2018

APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED

CIN: U24219TG1996PTC025330

Standalone Balance Sheet as at March 31, 2018

Rupees in Lacs

	Notes	March 31, 2018	March 31, 2017	March 31, 2016
Assets				
Non current assets				
Property, plant and equipment	2.1	4,259.04	4,899.55	3,674.39
Capital work In Progress	2.2	44.83	20.64	3.17
Intangible Assets	2.3	802.77	1,120.73	1,171.25
Financial assets				
Investments	3	7,321.55	7,324.55	8,791.93
Long Term Loans and Advances	6	2,483.59	2,313.86	7,078.83
Other non current assets	9	3,777.62	3,034.24	4,261.45
		18,689.40	**18,713.57**	**24,981.02**
Current assets				
Inventories	4	73,679.43	75,936.88	79,860.12
Financial assets				
Trade receivables	5	1,611.53	381.84	62.75
Cash and cash equivalents	7	3,167.03	1,655.16	2,747.10
Loans and advances	6	2,198.70	183.90	192.07
Other Financial assets	8	654.62	251.59	227.45
Other current assets	9	12,304.61	5,339.31	8,030.97
		93,615.92	**83,748.68**	**91,130.46**
TOTAL		**1,12,305.32**	**1,02,462.25**	**1,16,111.48**
Equity and Liabilities				
Equity				
Equity share capital	10	5,000.00	5,000.00	5,000.00
Other equity	11	30,501.98	26,230.75	24,296.47
		35,501.98	31,230.75	29,296.47
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	12	32,738.20	24,401.02	26,560.02
Provisions	15	829.22	654.73	431.14
Deferred tax liabilities (net)	17	41.59	281.35	240.38
		33,609.01	**25,340.10**	**27,231.54**
Current liabilities				
Financial liabilities				
Borrowings**	12	1,293.51	7,442.92	7,253.81
Trade Payables	13	3,323.33	4,200.72	8,411.53
Other financial liabilities	14	14,391.37	22,634.81	23,587.43
Provisions	15	347.08	295.04	233.65
Other current liabilities	16	23,839.04	11,317.91	20,097.05
		43,194.33	**45,891.40**	**59,583.47**
TOTAL		**1,12,305.32**	**1,02,462.25**	**1,16,111.48**
Summary of significant accounting policies	1			

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

M N RAO & ASSOCIATES

ICAI Firm Registration No: 005386S

Chartered Accountants

M.V Ratnam

Partner

M.No 008314

Place: Hyderabad

Date: 30-08-2018

For and on behalf of the Board of Directors

APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED

S.Subrahmanyam Reddy

Managing Director

DIN: 0021543

C.Venkateswara Reddy

Director

DIN 0021568

K Joga Rao

G M (F&A) & Company Secretary

APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED
CIN: U24219TG1996PTC025930
Standalone Statement of Profit and Loss for the year ended March 31, 2018

Rupees in Lacs

	Notes	For the year ended March 31 2018	For the year ended March 31 2017
Revenue			
Revenue from operations	18	69,077.43	64,306.99
Other income	19	156.06	220.58
Total Revenue (I)		69,233.49	64,527.57
Expenses			
Cost of Materials Consumed	20	47,523.87	48,765.85
Cost of Properties and Investments	21	1,551.48	5,499.03
Employee benefits expenses	22	5,485.17	2,621.98
Finance costs	24	3,678.72	1,853.09
Depreciation and amortization expenses	2	1,261.56	790.92
Other Expenes	23	3,112.50	1,645.64
Total Expenditure		62,613.30	61,176.51
Profit before tax		6,620.16	3,351.06
Tax expense			
Current tax	25	2,500.00	1,212.00
MAT credit	25	-	
Deferred tax (credit)	13	(143.67)	97.66
Total tax expense		2,356.33	1,309.66
Net profit after tax		4,263.83	2,041.40
Items of other comprehensive income			
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss:			
Re-measurement gains/ (losses) on defined		11.31	(163.82)
Income tax effect		(3.91)	56.70
Other comprehensive income for the year net of		7.40	(107.12)
Total comprehensive income for the year		4,271.23	1,934.28
Earnings per share (EPS) (of Rs.10/each) (amount			
Basic		0.00	0.00
Diluted		0.09	0.00
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
M N RAO & ASSOCIATES
ICAI Firm Registration No: 005386S
Chartered Accountants

M.V Ratnam
Partner
M.No. 008314

For and on behalf of the Board of Directors
APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED

S.Subrahmanyam Reddy
Managing Director
DIN: 00021348

C.Venkateswara Reddy
Director
DIN:0021568

K.Jogi Rao
G M (F&A) & Company Secretary

Place: Hyderabad
Date: 31.08.2018

APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED

CIN: U24219TG1995PTC025330

Standalone Cash Flow Statement for the year ended March 31, 2018

Rupees in Lacs

		For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flow from operating activities			
Profit before taxation		6,620.16	3,351.06
Non-cash adjustment to reconcile profit before tax to net cash flows:			
Depreciation and amortisation		1,261.56	790.92
Interest income		(156.06)	(220.58)
Operating profit before working capital changes		7,725.66	3,921.40
Movements in working capital:			
(Increase)/decrease in Inventories		2,257.45	3,970.24
(Increase)/decrease in trade receivables		(1,229.69)	(319.09)
(Increase)/decrease in Other non-current assets		(739.38)	1,227.21
(Increase)/ decrease in other current financial assets		(423.03)	(4.14)
(Increase)/ decrease in other Current Assets		(6,945.30)	1,768.99
Increase/(decrease) in other Financial Liabilities		(11,443.44)	(752.62)
Increase/(decrease) in Provisions		237.84	121.16
Increase/(decrease) in other current liabilities		8,909.30	(10,191.14)
Increase/(decrease) in Trade Payables		(877.39)	(4,210.81)
Cash generated from operations		(2,528.18)	(5,015.80)
Direct taxes paid		1,212.00	1,422.57
Net cash generated from operating activities	(A)	(1,316.18)	(3,593.13)
Cash flows from investing activities			
Purchase of fixed assets		(303.89)	(1,968.56)
Capital Work in progress		(24.39)	(17.47)
Disposal of investments		-	1,470.38
Loan and Advances		(2,184.53)	4,763.14
Net cash used in investing activities	(B)	(2,512.81)	4,247.49
Cash flows from financing activities			
Interest Received		156.06	220.58
Repayment of borrowings		5,184.80	(1,966.89)
Net cash generated from/used in financing activities	(C)	5,340.86	(1,746.31)
Net decrease in cash and cash equivalents	(A+B+C)	1,511.87	(1,091.95)
Cash and cash equivalents at the beginning of the year		1,655.15	2,747.10
Cash and cash equivalents at the end of the year		3,167.02	1,655.15
Components of cash and cash equivalents			
Cash on hand		107.58	95.48
Balances with scheduled banks			
Current accounts		2,243.50	629.31
Fixed deposits		815.95	930.37
Total cash and cash equivalents (refer note)		3,167.03	1,655.16

As per our report of even date.
M N RAO & ASSOCIATES
ICAI Firm Registration No: 005386S
Chartered Accountants

M.V Ratnam
Partner
M.No. 008314

For and on behalf of the Board of Directors
APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED

S.Subrahmanyam Reddy
Managing Director
DIN: 00021948

C.Venkateswara Reddy
Director
DIN:00021568

K Joga Rao
G M (F&A) & Company Secretary

Place: Hyderabad
Date: 31-08-2018

E. **Notes to the reconciliations**

a. **Borrowings**

Borrowings shall be classified as financial liabilities to be carried at amortized cost under Ind AS 109. The same shall be measured at amortized cost using the effective interest rate method. The transaction costs incurred in connection with the borrowings, shall be deducted from the borrowings on initial recognition and amortized over the term of the borrowing. Borrowing cost qualifying for capitalisation of inventory has also been capitalised at effective interest rate.

b. **Deferred tax**

Indian GAAP required deferred tax accounting using the income statement approach, which focusses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focusses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP.

C. **Remeasurement of Post Employment Benefit Obligations**

Under the previous GAAP, actuarial gains and losses on defined benefit obligations were recognised in the statement of profit and loss under Ind AS, these are recognized in other comprehensive income

d. **Retained earnings**

The above changes impact total equity as follows: (Rupees in Lacs)

	1 April 2016	31 March 2017
Equity as per IGAAP	**29,184.29**	31,334.98
Impact on cost of land, construction and development		(4.92)
Impact on account of borrowing cost amortization as per EIR method	219.41	249.41
Re-measurement gains/(losses) on defined benefit plan	(71.85)	(222.69)
Deferred tax impact of Ind AS adjustments	(55.38)	(126.02)
Increase in total equity	112.18	(104.23)
Equity as per Ind AS	29,296.47	31,230.75

The reconciliation of net profit as previously reported under IGAAP and Ind AS: (Rupees in Lacs)

	31 March 2017
Net profit as per IGAAP	2,150.68
Impact on cost of land, construction and development	(4.93)
Impact on account of borrowing cost amortization as per EIR method	-
Re-measurement gains/(losses) on defined benefit plan	18.98
Deferred tax impact of Ind AS adjustments	(123.34)
Increase in total profit	(109.29)
Net profit as per Ind AS	2,041.39

Cash flow statement

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

Note AB **Reconciliation between the opening and closing balances in the balance sheet for liabilities and financial assets from financing activities:**

Effective 1 April 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements

M N RAO & ASSOCIATES
Chartered Accountants
ICAI Firm Registration No: 005386S

M V Ratnam
Partner
M.No. 008314

Place: Hyderabad
Date: 31 August 2018

for and on behalf of the Board of Directors
APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED
CIN: U45200TG2006PTC049580

G. Subrahmanyam Reddy
Director
DIN: 0002[illegible]348

C. Venkateswara Reddy
Director
DIN: 00021568

K Joga Rao
G.M (F&A) & Company Secretary

APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED

Statement of changes in equity

(All amounts in lakhs of Rs., except share data and where otherwise stated)

	Equity share capital	Other equity					Total equity attributable to equity holders of the Company
		Reserves and surplus					
		Securities premium	Capital redemption reserve	Retained earnings	Capital reserve	General reserve	
Balance as at 1 April 2016	5,000.00	-	-	24,296.47	-	-	29,296.47
Profit for the year				2,041.40			2,041.40
Other comprehensive income net of tax				(107.12)			(107.12)
Balance as of 31 March 2017	**5,000.00**	-	-	**26,230.75**	-	-	**31,230.75**
Balance as at 1 April 2017	**5,000.00**	-	-	**26,230.75**	-	-	**31,230.75**
Profit for the year	-			4,263.83			4,263.83
Other comprehensive income net of tax				7.40			7.40
Balance as of 31 March 2018	**5,000.00**	-	-	**30,501.98**	-	-	**35,501.98**

The notes referred to above form an integral part of the financial statements.

As per our Report of even date attached.

M N RAO & ASSOCIATES
ICAI Firm Registration No: 005386S
Chartered Accountants

M.V Ratnam
Partner
M.No. 008314

Place: Hyderabad
Date: 31 August 2018

for **and on behalf of the Board of Directors**
APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED

S Subramanyam Reddy
Director
DIN: 00021348

C Venkateswara Reddy
Director
DIN: 00021568

K Jogai Rao
G M (F&A) & Company Secretary

APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED

Notes to the financial statements (continued)

(All amounts in of Rs., except share data and where otherwise stated)

C. Reconcilation of Equity as as previously reported under Previous GAAP to Ind AS

	Note No.	As at 31 March 2017			As at 1 April 2016		
		IGAAP*	Ind AS Impact/Reclassification	Ind AS	IGAAP*	Ind AS Impact/Reclassification	Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment		4,899.55	0.01	4,899.55	3,671.37	-	3,671.37
Capital work-in-progress		20.63	0.01	20.64	3.17	0.00	3.17
Intangible Assets		1,120.74	(0.01)	1,120.73	1,171.26	(0.01)	1,171.25
Financial assets							
Investments	f	7,324.54	0.01	7,324.55	8,794.92	0.01	8,794.93
Trade Receivables							
Long term Loans & advances	a & f	6,426.54	(4,112.68)	2,313.86	13,139.14	(6,060.31)	7,078.83
Other non- current assets			3,034.24	3,034.24		4,261.45	4,261.45
		19,792.00	(1,078.42)	18,713.57	26,779.85	(1,798.85)	24,981.00
Current assets							
Inventories	b	76,284.15	(347.27)	75,936.87	79,850.11	0.01	79,850.12
Financial assets							
Trade receivables		381.84	(0.00)	381.84	62.75	(0.00)	62.75
Cash and cash equivalents		1,655.17	(0.01)	1,655.16	2,747.12	(0.02)	2,747.10
Loans and advances		1,050.53	(866.63)	183.90	944.32	(762.25)	182.07
Other financial assets			231.59	231.59		227.06	227.45
Other current assets	a & c	3,645.81	1,713.50	5,359.31	5,717.31	2,333.66	8,050.97
		83,017.50	731.17	83,748.67	89,331.61	1,798.46	91,130.46
TOTAL ASSETS		1,02,809.50	(347.25)	1,02,462.24	1,16,111.46	(0.39)	1,16,111.46

EQUITY AND LIABILITIES							
Equity							
Equity share capital		5,000	-	5,000	5,000	-	5,000
Other equity	e	26,335	(104)	26,231	24,184	112	24,296
		31,335	**(104)**	**31,231**	**29,184**	**112**	**29,296**
Non-current liabilities							
Financial liabilities							
Long term borrowings		24,996	(592)	24,404	26,809	(249)	26,560
Provisions			655	655		431	431
Other Non current liabilities		14,153	(14,153)	-	21,121	(21,121)	-
Deferred tax liabilities (net)	f	155	126	281	181	59	240
		39,304	**(13,964)**	**25,340**	**48,111**	**(20,880)**	**27,232**
Current liabilities							
Financial liabilities							
Short term borrowings		6,470.94	971.98	7,442.92	6,732.89	520.03	7,252.81
Trade payables		4,200.72	(0.00)	4,300.72	8,411.53	0.00	8,411.53
Other financial liabilities			22,834.81	22,834.81		23,587.43	23,587.43
Provisions			295.04	295.04	125.41	108.24	233.65
Other current liabilities		21,498.97	(10,381.06)	11,117.91	23,546.20	(3,449.15)	20,097.05
		32,170.63	13,720.77	**45,891.40**	**38,816.02**	20,766.56	**59,583.47**
Total liabilities		71,474.52	**(243.02)**	**71,231.50**	**86,927.18**	(113.06)	**86,815.01**
TOTAL EQUITY AND LIABILITIES		**1,02,809.50**	**(347.25)**	1,02,462.25	**1,16,111.47**	**(0.88)**	1,16,111.48

*Previous years figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED
Notes to the financial statements (continued)
(All amounts in of Rs , except share data and where otherwise stated)

D. Reconciliation of total comprehensive income as previously reported under Previous GAAP to Ind AS

	For the year ended 31 March 2017			
	Note No.	IGAAP*	Ind AS Adjustments/Reconciliation	Ind AS
Income				
Revenue from operations		64,073	234	64,307
Other income	a	455	(234)	221
Total income		64,528	(0)	64,528
Expenses				
Cost of land and construction	b	54,260	5	54,265
Employee benefits expenses	b, c	2,641	(19)	2,622
Finance costs		1,853	(0)	1,853
Depreciation and amortization expenses		791	-	791
Other Expenes	a	1,646	(0)	1,646
Total expenses		61,191	(14)	61,177
Profit before tax		3,337	14	3,351
Tax expense:				
Current tax		1,212		1,212
Deferred tax	d	(26)	123	98
Adjustments of tax relating to earlier periods				
Profit for the year		2,151	(109)	2,041
Other comprehensive income				
Items that will be reclassified subsequently to profit or loss				
Foreign exchange gains/ (losses)	e			
Items that will not be reclassified subsequently to profit or loss				
Re-measurement gains / (losses) on defined benefit plans	f		(164)	(164)
Income tax relating to items that will not be reclassified to profit or loss			57	57
Other comprehensive income for the year		-	(107)	(107)
Total comprehensive income for the year		2,151	(216)	1,934

*Previous years figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclousure

APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2018

2.1 Property, plant and equipment and Intangible assets

	Leasehold land (refer note 30)	Buildings	Computers& Software	Furniture and fixtures	Office equipment	Vehicles	Plant & Machinery	Total (Property,plant and equipment)
Deemed Cost								
As at April 01, 2016	463.53	519.59	334.32	300.99	301.27	943.04	5,085.48	7,948.22
Additions			6.03	2.00	13.82	125.09	1,774.79	1,921.72
Disposals						(1.79)		(1.79)
As at March 31, 2017	463.53	519.59	340.35	302.99	315.09	1,066.34	6,860.27	9,868.15
Additions			25.77	2.34	37.18	154.64	88.40	308.33
Disposals		-			-	(39.62)		(39.62)
As at March 31, 2018	463.53	519.59	366.12	305.33	352.27	1,181.36	6,948.67	10,136.86
Depreciation								
As at April 01, 2016	274.37	161.64	317.21	188.29	245.12	675.49	2,414.77	4,276.83
Charge for the year	37.53	16.94	11.90	31.51	30.63	93.50	496.22	718.23
Disposals	-	-		-		(26.46)	-	(26.46)
As at March 31, 2017	311.90	178.58	329.11	219.80	275.75	742.47	2,910.99	4,968.60
Charge for the year	26.80	16.12	10.37	21.57	22.95	117.97	728.82	944.60
Disposals	-	-		-	-	(35.33)	-	(35.38)
As at March 31, 2018	338.70	194.70	339.48	241.37	298.70	825.06	3,639.81	5,877.82
Net block								
As at March 31, 2018	124.83	324.89	26.64	63.96	53.57	356.30	3,308.86	4,259.04
As at March 31, 2017	151.63	341.01	11.24	83.19	39.34	323.87	3,949.28	4,899.55
As at March 31, 2016	189.16	357.95	17.11	112.70	56.15	267.61	2,670.71	3,671.39

	Land - Freehold	Buildings	Computers& Software	Furniture and fixtures	Office equipment	Vehicles	Plant & Machinery	Total (Property,plant and equipment)
As at April 01, 2016								
Gross block	463.53	519.59	334.32	300.99	301.27	943.04	5,085.48	7,948.22
Accumulated depreciation and amortisation								-
Net Block	463.53	519.59	334.32	300.99	301.27	943.04	5,085.48	7,948.22

2.2 Capital Work In Progress

	Property, Plant and Equipment	Total
As at 1st April 2015	3.17	3.17
-Additions (Subsequent Expenditure)	-	
- Capitalise during the Year	-	
As at 31st March 2016	**3.17**	**3.17**
-Additions (Subsequent Expenditure)	17.47	17.47
- Capitalise during the Year	-	
As at 31st March 2017	**20.64**	20.64
-Additions (Subsequent Expenditure)	24.19	24.19
- Capitalise during the Year	-	-
As at 31st March 2018	**44.83**	**44.83**

2.3 Intangible Assets

Deemed Cost	Software	Intellacutal Property Rights	Total
As at April 01, 2016	1,853.08	-	1,853.08
Additions	22.13		22.13
Disposals			-
As at March 31, 2017	1,875.21	-	1,875.21
Additions			-
Disposals		-	-
As at March 31, 2018	1,875.21	-	1,875.21
			-
Depreciation			-
As at April 01, 2016	681.78	-	681.78
Charge for the year	72.70	-	72.70
Disposals	-	-	-
As at March 31, 2017	754.48	-	754.46
Charge for the year	316.96	-	316.96
Disposals	-	-	
As at March 31, 2018	**1,071.44**	-	1,071.44
Net block			
As at March 31, 2018	803.77	-	803.77
As at March 31, 2017	1,120.73	-	1,120.73
As at March 31, 2016	1,171.25	-	1,171.25

Notes to the Standalone Financial Statements for the year ended March 31, 2018

Financial Assets

3) Investments	Non Current			Current		
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2018	March 31, 2017	March 31, 2016
Investment carried at Cost						
Unquoted Equity Shares						
Investment in Subsidiaries						
18,77,980 (March 31,2018 Nil; March 31, 2017 Nil) Equity Shares of Rs. 10/- each with a Premium of Rs. 329.32 per Shares fully paid-up in Aparna Urban Infrastructure Private Limited	-	-	6,366.52			
9,990 (March 31, 2017 - 9,990; March 31,2016- 9,990) equity shares of Rs 10 each fully paid-up in Aparna Projects Private Limited	1.00	1.00	1.00			
58,86,857 (March 31, 2017 - 47,16,283; March 31,2016 - 35,42,707) Equity Shares of Rs. 10/- each with a premium of _ fully paid-up in Aparna Infrahousing Private Limited	7,217.79	7,217.79	351.27			
Nil (March 31,2017 - Nil, March 31,2016 25,30,552) Class C Equity Shares of Rs. 10/- each with premium of Rs. ____ fully paid-up in Aparna Shelters Private Limited	-		1,470.36			
10,00,000(March 31,2017 - 10,00,000, March 31,2016- 10,00,000) Class A Equity Shares of Rs. 10/- each fully paid up in Aparna Shelters Private Limited	100.00	100.00	100.00			
7,590 (March 31, 2017 - 7,590; March 31,2016- 7,590) equity shares of Rs 10 each fully paid-up in Aparna Corporation Private Limited	0.76	0.76	0.76			
9,990 (March 31, 2017 - 9,990; March 31,2016- 9,990) equity shares of Rs 10 each fully paid-up in Aparna Medows Private Limited	1.00	1.00	1.00			
9,990 (March 31, 2017 -9,990; March 31,2016- 9,990) equity shares of Rs 10 each fully paid-up in Aparna Health Services Private Limited	1.00	1.00	1.00			
9,990 (March 31, 2017 -9,990; March 31,2016- 9,990) equity shares of Rs 10 each fully paid-up in Aparna Spring Fields Private Limited	1.00	1.00	1.00			
9,990 (March 31, 2017 -9,990; March 31,2016- 9,990) equity shares of Rs 10 each fully paid-up in Aparna Energy Private Limited	1.00	1.00	1.00			
9,990 (March 31, 2017 -9,990; March 31,2016- 9,990) equity shares of Rs 10 each fully paid-up in Aparna Green Town Ships Private Limited	1.00	1.00	1.00			
	7,324.55	7,324.55	8,294.93			

4) Inventories (at lower of cost or net realisable value)	Non Current			Current		
	IND AS March 31, 2018	IND AS March 31, 2017	IND AS March 31, 2016	IND AS March 31, 2018	IND AS March 31, 2017	IND AS March 31, 2016
Work in Progress	-	-	-	52,380.70	52,147.11	55,434.58
Land Cost	-	-	-	11,821.15	17,119.83	17,153.87
Stock of Material	-	-	-	8,013.87	5,158.15	6,254.88
Finished Goods				1,470.71	1,511.79	1,011.79
	-	-	-	73,679.43	75,936.58	79,860.12

5) Trade Receivables	Non Current			Current		
	IND AS March 31, 2018	IND AS March 31, 2017	IND AS March 31, 2016	IND AS March 31, 2018	IND AS March 31, 2017	IND AS March 31, 2016
Unsecured Less than 180 Days	-			-		-
Unsecured More than 180 Days	-	-	-	-	-	-
Others	-	-	-	1,621.53	381.64	62.75
Less Allowances for doubtful receivables				-		
	-	-	-	1,621.53	381.54	62.75

6) Loans and advances	Non Current			Current		
	March 31, 2018	March 31, 2017	01-04-2016	IND AS March 31, 2016	IND AS March 31, 2017	IND AS March 31, 2016
To Related party						
Unsecured, considered good						-
Loans and Advances to Related parties	2,437.35	2,279.20	7,045.21	-	-	-
Unsecured, considered doubtful						-
	2,437.35	2,279.20	7,045.21	-	-	-
Note						
	2,437.35	2,279.20	7,045.21	-	-	-
	2,437.35	2,279.20	7,045.21	-	-	-
Advances						
Unsecured, considered good						
Advances to Sub-Contractors & Labour	-	-	-	-		
Advances to Supplier		-	-	-	-	
Staff Advances	-	-	-		-	-
Advance for investments	-	-	-	2,000.00		
Security deposits	46.26	34.56	30.62	15.81	15.81	15.81
Rent Deposits	-	-	-	182.09	166.69	156.26
Unsecured, considered doubtful	-	-	-	-	-	-
Total - Security Deposits	46.26	34.56	33.62	2,198.70	183.90	182.07
Less Provision for doubtful advance	-	-	-		-	-
	46.26	34.56	30.62	2,198.70	183.90	182.57
	2,483.59	2,313.86	7,078.83	2,198.70	183.90	182.07

Note : The Security Deposits and Refundable Deposits are measured at amortised cost.

7) Cash and Cash Equivalents

	Non Current			Current		
	IND AS March 31, 2018	IND AS March 31, 2017	IND AS March 31, 2016	IND AS March 31, 2018	IND AS March 31, 2017	IND AS March 31, 2016
Balance with banks						
- In bank accounts	-	-	-	2,243.50	629.31	1,489.10
- Deposit with original maturity of less than three months	-	-	-	815.95	930.37	1,204.73
Cash on hand	-	-	-	107.58	95.48	53.27
Remittance in transit					-	-
	-	-	-	3,167.03	1,655.16	2,747.10

8) Other Financial Assets

	Non Current			Current		
	March 31, 2018	March 31, 2017	01/04/2016	IND AS March 31, 2018	IND AS March 31, 2017	IND AS March 31, 2016
Advance recoverable in cash						
Other Receivables	-	-	-	654.62	231.59	227.45
other deposits	-	-	-	-	-	-
	-	-	-	654.62	231.59	227.45

9) Other Assets

	Non Current			Current		
	March 31, 2018	March 31, 2017	01/04/2016	IND AS March 31, 2018	IND AS March 31, 2017	IND AS March 31, 2016
Advances for Land	-	-	-	4,349.33	2,777.27	5,016.69
Advances to Sub-Contractors & Labour	-	-	-	837.10	332.70	279.64
Advances to Supplier	-	-	-	2,317.96	556.18	644.67
Staff Advances	-	-	-	102.16	24.08	20.01
Refundable Deposits	3,188.29	2,811.04	3,989.79	140.00	1,015.00	1,812.06
Other Deposits	42.03	41.93	41.99	-	-	
Prepaid expenses	-	-	-	23.07	27.11	16.56
Balance with Statutory/ Government authorities	-		-	-	-	-
Unsecured - Considered good	543.30	181.27	229.67	4,534.99	616.97	261.34
Unsecured - Considered Doubtful	-	-	-	-	-	-
	3,773.62	3,034.24	4,261.45	12,304.61	5,359.31	8,050.97

APARNA CONSTRUCTIONS AND ESTATES PRIVATE LIMITED
Notes to the Standalone Financial Statements for the year ended March 31, 2018

10) Equity

	March 31, 2018	March 31, 2017	01-04-2016
Authorised Shares (No.'s)			
i) Equity share capital			
5,50,50,000 (March 31, 2016, 5,50,50,000) equity shares of Rs. 10/- each	5,505	5,505	5,505
	5,505.00	5,505	5,505
Issued, subscribed and paid up capital			
5,00,00,000 (March 31, 2016, 5,00,00,000) equity shares of Rs. 10/- each	5,000	5,000	5,000
	5,000	5,000	5,000

a) Reconciliation of number of equity shares outstanding and the amount of share capital

	March 31, 2018		March 31, 2017		01-04-2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity shares outstanding at the beginning of the year	500	5,000	500	5,000	500	5,000
Issued during the year					-	
Outstanding at the end of the year	500.00	5,000.00	500.00	5,000.00	500.00	5,000.00

b) Terms/Rights attached to the equity shares

The Company has only one class of issued, subscribed and paid up equity shares having a par value of Rs. 10/- each per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. The Company has not declared any dividend in the current and previous year.In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

c) Details of the shareholders holding more than 5% share in the Company

	March 31, 2018		March 31, 2017		01-04-2016	
Name of the Shareholder	Number of shares held	% of holding	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares of Rs. 10/- each fully paid up						
S Subrahmanyam Reddy		45.82%		45.82%		45.82%
C Venkateswara Reddy		46.46%		46.46%		46.46%

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

11. Other equity

	Ind AS 31 St March 2018	Ind AS 31 St March 2017	Ind AS 31 St March 2016
General Reserve	-	-	-
Retained earnings			
Opening balance	26,230.75	24,296.47	24,184.29
Adjustment			
Add: Increase in retained earnings due transaction costs charged as per EIR method			249.41
Less: Increase in Gratutiy liability			(90.16)
Add: Decrease in leave encashment liability			12.31
Add:Deffered tax			(59.38)
Add: Net profit after tax transferred from statement of profit and loss	4,263.83	2,041.40	
Items of other comprehensive income	-		
Other comprehensive income net of tax	7.40	(107.12)	-
Amount available for appropriations	30,501.98	26,230.75	24,296.47
Total	30,501.98	26,230.75	24,296.47

12) Financial liabilities - borrowings

	Non Current			Current		
	IND As March 31, 2018	IND As March 31, 2017	IND As March 31, 2016	IND As March 31, 2018	IND As March 31, 2017	IND As March 31, 2016
Secured Loan						
Term Loans						
ICICI Bank Limited	15,500.51	18,948.10	23,453.67	-	-	-
HDFC Limited	15,637.03	3,600.40	1,214.17	-	-	
IFCI Limited	-	625.00	1,892.18	-	-	-
Cash Credit with Banks						
Andhra Bank	-	-	-	-	4,002.48	4,380.67
State Bank of India	-		-	3,657.05	2,468.46	2,352.21
HP Loans		-				
Axis Bank Limited	-	-	-	-	-	-
ICICI Bank Limited- Vehicle Loan	-	1,230.52	-	-	-	-
ICICI Bank Limited- Equipment Loan	1,600.66	-	-	-	-	-
Less: Current Maturities	-	-	-	-	-	-
Total (A)	32,738.20	24,404.02	26,560.02	3,657.05	6,470.94	6,732.88
Unsecured Loan						
Loans From Related Parties						
From Directors- C Venkateswara Reddy	-	-	-	210.18	212.43	220.65
Inter Corporate Deposits					-	-
Aparna Property Management Services Pvt Ltd		-	-	426.31	759.55	300.28
Total (B)	-	-	-	636.49	971.98	520.93
Total (A+B)	32,738.20	24,404.02	26,560.02	4,293.54	7,442.92	7,253.81

Note:The Vehicles are being hypothecated for the Term Loans. The Borrowings are measured at amortised cost.

Details of Securites for Secured Loans

Following are the project specific Term Loans along with security details, all the term loans have been availed from ICICI Bank Ltd

Term Loan of Rs. 1500 Mn - Availed for the project Aparna Cyberlife.

Security: All that piece and parcel of land bearing Survey no. 220/AA, 220/AA1, 220/AA2, 220/AA3, 220/EE, 220(P), 221, 222/A, 222/AA, 235, 240(P), 241(P), 242(P), 297/A, 297/AA & 297/E situated at Nallagandla Village, Serilingampally mandal, Ranga Reddy District, Andhra Pradesh admeasuring approx. 10.90 acres and the structure (present & future) thereon.

All that piece and parcel of land situated at Survey Nos. 396/AA1, 396/AA2, 396/AA3, 397/A, 397/AA, 397/E, 397/EE, 398/AA, 398/AA, 398/A1 & 398/A2 in Tellapur Village, Ramachandrapuram mandal, Medak district ad measuring approx 22.85 acres and the structure (present & future) thereon.

Term Loan of Rs. 5200 Mn Availed for the project Aparna Hill Park Lakebreez, Gardenia,, Silveroak and Aparna Cyberzon

Security - 1. All the piece and parcel of land situated at Chandanagar Village, Serilingampally mandal, Ranga Reddy district ad measuring approx 30.67 acres. Including all the structures thereon both present & future

2. All that piece and parcel of land situated at S No 169, 179, 180, 181, 183 to 187, 190, 191, 197, 208, 212 and 213 Nallagandla Village, Serilingampally Mandal, Ranga Reddy District ad measuring 85084 Sq Meter acres and the structure (present & future) thereon

3. All the piece and parcel of land situated at Corporation No. 47 (Old Nos. 47/1/1, 47/2, 47/3 and 47/4) BBMP PID No. 10-1-47 at Industrial Suburb, Ward No. 10, Mahalaxmipura, Bengaluru admeasuring 103,117 sq. ft., including all the structures thereon both present & future.

4. All that piece and parcel of land situated at Chandanagar village, Serilingampally mandal, Ranga Reddy district ad measuring approx. 16.1 acres, including all the structures thereon both present & future.

5. All that piece and parcel of land situated at Chandanagar village, Serilingampally mandal, Ranga Reddy district admeasuring approx. 5.0 acres, including all the structures thereon both present & future.

The above projects are secured with additional common collateral land property situated at S No 396, 397 and 398, Tellapur Village Ramachandrapuram Mandal, Medak District, Andhra Pradesh admeasuring 22.675 Acres

All the above mentioned loans includes Personal Guarantee of Directors-Shri S Subrahmanyam Reddy and Shri C Venkateswara Reddy

Term Loan of Rs. 5,00 Mn from HDFC LIMITED for Aparna Elixir

1) First and Exclusive mortgage of the built-up area, falling under the share of the Borrower, both present and future thereon, along with

2) An Exclusive charge on the "Scheduled receivables" under the documents entered into with the prospective customers of the funded

All the above mentioned loans includes Personal Guarantee of Directors-Shri S Subrahmanyam Reddy and Shri C Venkateswara Reddy

Term Loan of Rs. 2500 Mn from HDFC LIMITED for Aparna Serene Park

1) First and Exclusive mortgage of the built up area, falling under the share of the Borrower, both present and future thereon, along with the corresponding land in the project named " Aparna Serene Park" located at Kondapur, Hyderbad, Telangana

2) An Exclusive charge on the "Scheduled receivables' under the documents entered into with the prospective customers of the funded project " Aparna Serene Park ', by the Borrower, both present and Future

All the above mentioned loans includes Personal Guarantee of Directors Shri S Subrahmanyam Reddy and Shri C Venkateswara Reddy

1) Term Loan of Rs. 500 Mn from IFCI LIMITED

1. All that piece and parcel of land situated at S No 249/A,249/3,257/A&257/B,252,255,256,258.259/B,259/D,259/3, Athvelli village, Medchal Mandal, Ranga Reddy district ad measuring approx. 38.27 acres and the structure (present & future) thereon in the name of Aparna Projects Pvt Ltd

2. Personal Guarantee of Directors-Shri S Subrahmanyam Reddy and Shri C Venkateswara Reddy

Andhra Bank SOD

The facility is secured by

1 All that piece and parcel of Non Agricultural land admeasuring 39983 Sq Yards situated at Sy No 392 of Velimela Village

2 All that piece and parcel of Non Agricultural land admeasuring Ac 10.38 Gts situated at Sy Nos 431, 432, 430, 217 219.225, 705, 708 and 709 of Gundalapochampalli Village

All the above mentioned loans includes Personal Guarantee of Directors-Shri S Subrahmanyam Reddy and Shri C Venkateswara Reddy

State Bank of India Loans:

Open dry land of 12 acres in S No 185/AA, 185/E, 185/EE, 185/U and 185/UU located at Muthangi Village of Patancheru Mandal of Medak district

Personal Guarantee of Directors Shri S Subrahmanyam Reddy and Shri C Venkateswara Reddy, Shri D Someswara Prasad

13) Financial liabilities - Trade payables

	Non-Current			Current		
	IND As March 31, 2018	IND As March 31, 2017	IND As March 31, 2016	IND As March 31, 2018	IND As March 31, 2017	IND As March 31, 2016
Trade Payable						
- Related parties						
- Sundry Creditors	-	-	-	3,323.33	4,200.72	8,411.53
- Others						
	-	-	-	3,323.33	4,200.72	8,411.53

Terms and conditions of the above financial liabilities:

terms.

ii) The dues to related party are unsecured and are normally payable within 30 days from the date of re

14) Other Financial Liabilities

	Non Current			Current		
	IND As March 31, 2018	IND As March 31, 2017	IND As March 31, 2016	IND As March 31, 2018	IND As March 31, 2017	IND As March 31, 2016
Financial liabilities at amortised cost						
Current maturities of long term borrowings	-	-	-	8,811.58	19,367.23	21,531.33
Retention Money Payble	-	-	-	1,748.08	1,856.61	1,640.39
Mobilisaiton Advance	-	-	-	372.62	544.25	46.11
Others	-	-	-	459.09	1,066.72	369.60
Total Other Financial Liabilities	-	-	-	11,391.37	22,834.81	23,587.43

Note: The Other Financial Liabilites are measured at Amortised Cost.

15) Provisions

	Non Current			Current		
	IND As March 31, 2018	IND As March 31, 2017	IND As March 31, 2016	IND As March 31, 2018	IND As March 31, 2017	IND As March 31, 2016
Provision for emplotee benefits	829.22	654.73	431.14	347.08	295.04	233.65
	829.22	654.73	431.14	347.08	295.04	233.65

16) Other Liabilities

	Non Current			Current		
	IND As March 31, 2018	IND As March 31, 2017	IND As March 31, 2016	IND As March 31, 2018	IND As March 31, 2017	IND As March 31, 2016
Advance from Customers	-	-	-	19,693.47	10,701.81	19,079.27
Staff Expenses Payable	-	-	-	-	-	-
Provision for expenses	-	-	-	6.76	28.86	59.42
Statutory Liabilities	-	-	-	304.87	387.24	832.95
Provision for tax	-	-	-	3,833.91	-	125.41
						-
Total Other Liabilities	-	-	-	**23,839.01**	**11,117.91**	**20,097.05**

	Non Current			Current		
17) Deferred tax liabilities (net)	**IND As March 31, 2018**	**IND As March 31, 2017**	**IND As March 31, 2016**	**IND As March 31, 2018**	**IND As March 31, 2017**	**IND As March 31, 2016**
Deferred tax liabilities (net)	41.59	281.35	240.38	-	-	-
	41.59	**281.35**	**240.38**	-	-	-

		Ind AS 31 St March 2018	Ind AS 31 St March 2017
18	**Revenue from Operations**		
	Sale of Products/Finished Goods		
	Income from Property Development	58,855.87	54,184.20
	Income from Sale of Lands & Villas	1,636.99	6,122.27
	Other Operating Revenue	136.80	-
	(A)	60,629.66	60,306.56
	Sale of Service		
	Income from Contractual Activity-Subsidiaries/Associates	6,248.11	2,451.68
	Income from Project Management Services	1,926.90	1,314.49
	(B)	8,175.01	3,766.17
	Other Non Operating Revenue		
	Sale of Scrap	153.94	118.19
	Profit on Sale of Fixed Assets	3.07	20.56
	Profit on Sale of Shares	-	29.00
	Other Non Operating Income	115.75	66.57
		272.76	234.32
	Revenue from Operations (Gross) (A+B)	69,077.43	64,306.99

		Ind AS 31 St March 2018	Ind AS 31 St March 2017
19	**Finance Income**		
	Interest Income on Deposits	156.06	220.58
	Total	156.06	220.58

		Ind AS 31 St March 2018	Ind AS 31 St March 2017
20	**Cost of Materials Consumed**		
	Raw Materials Consumed		
	Opening stock at the beginning of the period		
	Add : Purchases	47,523.67	48,765.85
	Add: Carriage Inward		
		47,523.67	48,765.85
	Less : Closing stock at the end of the year		

		Ind AS 31 St March 2018	Ind AS 31 St March 2017
21	**Construction of Property and Investments**		
	Cost of Land	1,551.48	5,499.03
		1,551.48	5,499.03

22 Employee Benefits Expenses

	Ind AS 31 St March 2018	Ind AS 31 St March 2017
Salaries, allowances and Incentives	4,473.71	2,180.06
Contribution to Provident Fund	263.58	221.71
Gratuity Fund Contributions	230.87	101.08
Leave Travel Allowance	74.23	60.28
Leave Encashment Allowance	90.97	26.57
Bonus	226.01	81.87
Staff welfare expenses	81.02	13.60
Other Staff Expenses	44.78	33.81
Total	5,485.17	2,621.98

23 Other Expenses

	Ind AS 31 St March 2018	Ind AS 31 St March 2017
Power and fuel	428.91	78.43
Rent	167.65	370.23
Advertisement & Business Promotion	1,148.20	422.48
Repairs Maintenance - Machinery/Vehicles	172.26	86.30
Telephone Charges	82.42	21.95
Travelling (including Foreign Travel)	84.82	66.72
Insurance	54.51	40.37
Conveyance	87.34	70.53
Printing and Stationery	45.48	30.32
Site and Office Maintenance	105.62	64.71
Professional and Consultancy Charges	196.79	108.33
Donations	36.95	78.43
Rates and taxes (including VAT & CST)	341.92	56.35
Other Administrative Expenses	188.31	197.94
Payments to the auditor as		
a. Audit fee	7.50	6.75
b. For Taxation Matters	5.00	7.50
c. For Other Services	8.80	3.75
TOTAL	3,112.53	1,645.64

24 Finance Expenses

	Ind AS 31 St March 2018	Ind AS 31 St March 2017
Interest on Term Loans	4,999.13	5,695.83
Interest on working Capital	613.68	1,035.77
Interest on Other Loans	10.36	702.16
Loan Processing Fee and BG Commission	238.19	488.47
Finance Charges	6.95	3.23
	5,868.31	7,925.46
Less: Finance Cost Capitalised to Projects	2,189.59	6,072.37
Total	3,678.72	1,853.09

Aparna Constructions and Estates Private Limited
Notes to financial statements for the year ended March 31, 2018
CIN: U24219TG1996PTC025330
(All amounts in Rs. lacs, unless otherwise stated)

1) Corporate Information-

Aparna Constructions and Estates Private Limited (the 'Company') is a Company registered under the Indian Companies Act 1956 vide CIN No: U24219TG1996PTC025330. The Company is primarily engaged in the business of Construction, Development and sale of Independent Villas, Flats, Approved Layouts and Integrated Town ships.

The standalone financial statements were authorised for issue by the Company's Board of Directors at its meeting held on 30 August 2018.

2) Significant Accounting Policies

2.1 Basis for Preparation of Financial Statements

A. Statement of compliance

These financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relavant provision of the Act.

The financial statements up to and for the year ended March 31, 2017 were prepared in accordance with the Companies (Accounting Standards) Amendment Rules, 2016, notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the Company's first standalone financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance is provided in **AA**.

Details of the Company's accounting policies are included **in 2.2**

B. Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2018 is included in the following notes:

- Notes L and M - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

- Note D - useful life and depreciation of property, plant and equipment
- Note F - impairment of financial assets.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

•A – The Company uses the percentage-of-completion method (POCM) in accounting for its long term construction contracts. Use of POCM requires the Company to estimate the contract revenue and total cost to complete a contract. Changes in the factors underlying the estimation of the contract revenue and total contract cost could affect the amount of revenue recognized.

2.2 Summary of significant accounting policies

A) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue includes excise duty, since the recovery of excise duty flows to the Company on its own account.

However, sales tax/ value added tax (VAT) is not received by the Company on its own account. These taxes are collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

1) Recognition of revenue from contractual projects

If the outcome of contractual contract can be reliably measured, revenue associated with the construction contract is recognised by reference to the stage of completion of the contract activity at year end (the percentage of completion method). The stage of completion on a project is measured on the basis of proportion of the contract work/ based upon the contracts/ agreements entered into by the Company with its customers.

2) Recognition of revenue from real estate projects

Revenue from real estate projects is recognised when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment. The following specific recognition criteria must also be met before revenue is recognized

a. Recognition of revenue from property development

Revenue from real estate projects including revenue from sale of undivided share of land {group housing} is recognised upon transfer of all significant risks and rewards of ownership of such real estate/property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/agreements. Where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards, revenue in such cases is recognised by applying the percentage of completion method only if the following thresholds have been met:

(a) all critical approvals necessary for the Commencement of the project has been obtained;

(b) the expenditure incurred on construction and development costs (excluding land cost) is not less than 25% of the total estimated construction and development costs;

(c) at least 25% of the saleable project area is secured by contracts/agreements with buyers; and

(d) at least 10% of the contracts/agreements value are realised at the reporting date in respect of such contracts/agreements.

When the outcome of a real estate project can be estimated reliably and the conditions above are satisfied, project revenue (including from sale of undivided share of land) and project costs associated with the real estate project should be recognised as revenue and expenses by reference to the stage of completion of the project activity at the reporting date arrived at with reference to the entire project costs incurred (including land costs).

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the financial statements for the period in which such changes are determined. Losses, if any, are fully provided for immediately.

b. Recognition of revenue from sale of land and development rights

Revenue from sale of land and development rights is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Revenue from sale of land and development rights is only recognised when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer

3) **Revenue from Project Management Services :**

Income from Project Management consists of Project Management Fee (PMA) and Sales and Marketing Fee (SMA). PMA Fees is linked with the expenditure on the project and is accrued quarterly, SMA Fees is a fixed sum on monthly basis for the projects belonging to associate/Subsidiary Companies (Aparna Infra Housing Private Limited & Aparna Shelters private limited)

4) **Interest income**

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method.

B) Property, plant and equipment

Property, plant and equipment are stated at their cost of acquisition/construction, net of accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is derecognised. Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

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.

C) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets, comprising of software and intellectual property rights are amortized on a written down value basis over a period of 8 years, which is estimated to be the useful life of the asset and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Property, plant and equipment recognized as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, Plant and equipment. (See Note AA)

D) Depreciation on Property, plant and equipment and Investment property

Depreciation is calculated on written down value basis using the following useful lives prescribed under Schedule II of the Act, except where specified.

E) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that any non-financial asset may be impaired. If any indication exists, or when annual impairment testing for a non-financial asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cashflows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators Impairment losses, including impairment on inventories, are recognized in the statement of profit and loss.

F) Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

G) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

(All amounts in Rs. lacs, unless otherwise stated)

The carrying value and fair value of financial instruments by categories as at 31 March 2018, 31 March 2017 and 1 April 2016 is as follows:

Particulars	Carrying value			Fair value Level
	31 March 2018	31 March 2017	01-Apr-16	
Financial assets				
Financial assets measured at amortised cost				
Loans and advances	4,682.29	2,497.76	7,260.90	-
Other financial assets	654.62	231.59	227.45	-
Trade receivables	1,611.53	381.84	62.75	
Investments	7,324.55	7,324.55	8,794.93	-
Cash and bank balances	3,167.03	1,655.16	2,747.10	-
Total assets	**17,440.02**	**12,090.90**	**19,093.13**	
Financial liabilities				
Financial liabilities not measured at fair value				
Borrowings	37,031.74	31,846.94	33,813.83	-
Trade payables	3,323.33	4,200.72	8,411.53	-
Other financial liabilities	11,391.37	22,834.81	23,587.43	-
Total liabilities	**51,746.44**	**58,882.47**	**65,812.79**	

H) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classification and subsequent measurement

On initial recognition, financial asset is classified as measured at:

- amortised cost
- fairvaluethroughothercomprehensive income (FVTOCI) - debt investment
- fairvaluethroughothercomprehensive income (FVTOCI) - equity investment
- fair value through profit or loss (FVTPL)

Financial assets at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met and is not designated as FVTPL:

a) the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement profit and loss. The losses arising from impairment are recognised in the statement profit and loss. This category generally applies to trade and other receivables.

Financial assets at Fair Value Through Profit or Loss (FVTPL)

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. financial assets

included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any financial asset as at FVTPL.

Equity investments in subsidiaries and joint ventures

The Company has availed the option available in Ind AS 27 *separate financial statements* to carry its investment in subsidiaries and joint ventures at cost. Impairment recognized, if any, is reduced from the carrying value.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

1) The rights to receive cash flows from the asset have expired, or

2) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liablities

Initial recognition and measurement

All financial liabiilties are recognised initially at fair value plus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

Classification, subsequent measurement and gains and losses

The financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading or it is as derivative or deginated as such on initial recognition. Financial liabilities measured as FVTPL are measured at fair value and net gains or losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using effective interest method. Interest expense and foregin exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss on derecgonition is also recoginsed in the statement of profit and loss.

Derecognition

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

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

a) Credit risk ;
b) Liquidity risk ; and
c) Market risk

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

a) Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit

(All amounts in Rs. lacs, unless otherwise stated)

quality of the counterparties, taking into account their financial position, past experience and other factors
A summary of the Company's exposure to credit risk for trade receivables and loans is as follows:

	31 March 2018		31 March 2017		1 April 2016	
	Not Credit - Impaired	Credit - Impaired	Not Credit - Impaired	Credit - Impaired	Not Credit - Impaired	Credit - Impaired
Gross carrying amount						
Trade and other deposit	1,657.79	-	416.50	-	96.37	-
Loan and advances to related parties	2,437.33	-	2,279.20	-	7,045.21	-
Other Advances	2,853.32	-	415.49	-	409.52	-
		-		-		-
Net carrying amount	**6,948.44**	-	**3,111.19**	-	**7,551.10**	-

b) Liquidity risk
The Company's principal source of liquidity are cash and cash equivalents and financial support from the holding company. Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the senior management.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2018, 31 March 2017 and 1 April 2016:

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Less than 1 year	1 year and above	Less than 1 year	1 year and above	Less than 1 year	1 year and above
Borrowings	4,293.54	32,738.20	7,442.92	24,404.02	7,253.81	26,560.02
Trade payables	3,323.33	-	4,200.72	-	8,411.53	-
Other financial liabilities	11,391.37	-	22,834.81	-	23,587.43	-

c) Market risk
Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while opimising the return.

(All amounts in Rs. lacs, unless otherwise stated)

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

Currency risk
The Company is not exposed to significant currency risk as the revenue and expenses are primarily denominated in Rs.

Capital Management
The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

Consistent with others in the industry, the company monitors capital on the basis of following gearing ratio:
Net debt (total liabilities net of cash and cash equivalent) divided by Total equity (as shown in balance sheet date)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Total liabilities	76,803.34	71,231.50	86,815.01
Less: Cash and cash equivalents	3,167.03	1,655.16	2,747.10
Adjusted net debt (borrowings net of cash and cash equivalents)	**73,636.31**	**69,576.34**	**84,067.91**
Total equity	**35,501.98**	**31,230.75**	**29,296.47**
Adjusted net debt to equity ratio	**2.07**	**2.23**	**2.87**

I) Borrowing costs
Borrowing costs are interest and other costs incurred in connection with borrowings of funds. Borrowing costs directly attributable to acquisition/construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation arecharged to statement of profit and loss.

J) Cash and cash equivalents
Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

K) Employee benefits

i. Defined contribution plans

A defined contribution plan is a post- employment benefit plan under which an entity pays fixed contributions into a seperate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

ii. Defined benefit plans

A defined benefit plan is a post- employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future

contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plansarerecognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

i). The date of the plan amendment or curtailment, and

ii). The date that the company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

1). Service costs comprising current service costs, past- service costs, gains and losses on curtailments and non-routine settlements; and

2). Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short- term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period for which the services are rendered by the employee.

L) Provisions

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(All amounts in Rs. lacs, unless otherwise stated)

M) Contingent liabilities

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

Particulars	As at 31-03-2018	As at 31-03-2017
(i) Contingent Liabilities		
(a) Claims Against the Company not Acknowledged as Debt		
i) Service Tax for the year 2005-06	8.07	8.07
ii) Service Tax for the year 2008-09	318.64	318.64
iii) Service Tax for the year 2011-2013	1,305.99	1,305.99
iv) Service Tax for the year 2013-14	162.33	162.33
v) Entry Tax Dispute for the Financial year:		
2011-12	7.30	
2012-13	50.46	
2013-14	95.28	
2014-15	119.72	
2015-16	118.12	
2016-17	59.22	500.00
vi) Corporate Guarantee Given to HDFC on behlaf of - Aparna Infrahousing Pvt Ltd	25,900.00	15,900.00
	28,145.13	**18195.03**
(ii) Commitments		
(a) Estimated amount of Contracts Remaining to be		

Executed on Capital Account and not Provided for	72,335.00	30,000.00
(b) Other Commitments (specify nature)	-	-
	72,335.00	30,000.00
	1,00,480.03	**48,195.03**

Note: Inquiry under section 7A of the Employee's Provident Fund and Miscellaneous Provisions Act 1952 against the company in respect of non-enrolled Construction workers engaged by the said establishments through contractors under progress for the period April 2011 to Sept'2015

N) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and buy back.

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

Particulars	As at 31-03-2018	As at 31-03-2017
Profit attributable to Equity Shareholders from continuing operations	4,263.83	2,041.40
Profit attributable to Equity Shareholders from discontinued operation	-	-
Weighted average number of Equity Shares outstanding during the year	5,00,00,000	5,00,00,000
Basic and Diluted earnings per share (Rs.) from continuing operations	8.53	4.08
Basic and Diluted earnings per share (Rs.) from discontinued operations	-	-
Basic and Diluted earnings per share (Rs.) from continuing operations and discontinued operation	8.53	4.08

O) Income taxes

Income tax expense comprises of current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current income tax

Current income tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred income tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

P) Functional and presentation currency

These standalone financial statements are presented in Indian Rupees , which is also the Company's functional currency. All amounts have been rounded-off to two decimal places to the nearest lacs, unless otherwise indicated.

Q) Inventories

Related to contractual and real estate activity

Direct expenditure relating to construction activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the construction and real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

i. Work-in-progress - Contractual: Cost of work yet to be certified/ billed, as it pertains to contract costs that relate to future activity on the contract, are recognised as

Financial Statements Standalone

contract work in- progress provided it is probable that they will be recovered. Contractual work-in-progress is valued at lower of cost and net realisable value.

ii. Work-in-progress - Real estate projects (including land inventory): Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognised. Real estate work- in-progress is valued at lower of cost and net realisable value.

iii. Finished goods - Flats: Valued at lower of cost and net realisable value.

iv. Finished goods - Plots: Valued at lower of cost and net realisable value.

v. Building materials purchased, not identified with any specific project are valued at lower of cost and net realisable value. Cost is determined based on a weighted average basis.

vi. Land inventory: Valued at lower of cost and net realisable value.

R) Land Adavances

Advances paid by the Company to the seller/ intermediary toward outright purchase of land is recognised as land advance under loans and advances during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Company, whereupon it is transferred to land stock under inventories.

S) Leases

Where the Company is lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased asset, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are recognized as finance costs in the statement of profit and loss.

A leased asset is depreciated on a written down value basis over the lower of the lease term or the estimated useful life of the asset unless there is reasonable certainty that the Company will obtain ownership, wherein such assets are depreciated over the estimated useful life of the asset

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term

T) Operating Cycle

The normal operating cycle in respect of operation relating to under construction of real estate projects depend on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed & realisation of project into cash & cash equivalents and range from 3 to 7 years. Accordingly Assets & Liabilities have been classified into current & non-current based on operating cycle of respective projects.

U) Standards issued but not effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

1) Ind AS 115 - Revenue from contracts with customers

Ind AS 115 was issued on 29 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 April 2018. The Company plans to adopt the new standard on the required effective date using the modified retrospective method.

The Company is in the business of construction of residential flats, development of plots and property development and which involves various contracts. The Company is in the process of assessing the impact of Ind AS 115 on its financial statement.

V) Current versus non-current classification

The Company presents assets and liabilities in balance sheet based on current/non-current classification.

(All amounts in Rs. lacs, unless otherwise stated)

1. An asset is current when it is:
   - Expected to be realized or intended to be sold or consumed in normal operating cycle
   - Held primarily for the purpose of trading
   - Expected to be realized within twelve months after the reporting period, or
   - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

   All other assets are classified as noncurrent.

2. A liability is current when:
   - It is expected to be settled in normal operating cycle
   - It is held primarily for the purpose of trading
   - It is due to be settled within twelve months after the reporting period, or
   - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

   The Company classifies all other liabilities as non-current.

3. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

W) Corporate social responsibility (CSR)

Corporate social responsibility (CSR) In accordance with the clarification issued by the Institute of Chartered Accountants of India, vide FAQ's on the provisions of CSR applicability under the Comapnies Act, 2013, the Company has adopted the policy to charge CSR expenditure incurred as an appropriation of profit with effect from April 01, 2014.

X) Auditors' remuneration (excluding service tax) as given below

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Statutory Audit Fee	7.50	6.75
Tax Audit Fee	5.00	2.50
Other Services	6.00	3.75
	18.50	**13.00**

Aparna Constructions and Estates Private Limited
Notes to financial statements for the year ended March 31, 2018
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(All amounts in Rs. lacs, unless otherwise stated)

Y) Expenditure in Foreign Currency

	As at 31-03-2018	As at 31-03-2017
Foreign Travel	50.92	4,847.908
Purchase of Raw Material	1677.74	1589.34
Marketing Expenses	-	-
	1728.66	1637.81

Z) Releated Party Disclosures

Name of Related Party	% Holding/Remarks
a) Subsidiaries :	
Aparna Projects Private Limited	**99.99%**
Aparna Corporation Private Limited	**50.67%**
Aparna Medows Private Limited	**99.90%**
Aparna Health Services Private Limited	**99.90%**
Aparna Springfields Private Limited	**99.90%**
Aparna Energy Private Limited	**99.90%**
Aparna Green Townships Private Limited	**99.90%**
Aparna Infrahousing Private Limited	**66.72%**
Aparna Shelters Private Limited	**51%**
b) Associate Companies	
c) Other Related Parties in Aparna Group (Entity in which Directors are Interested)	
Aparna Enterprises Limited	
Aparna Property Management Services Private Limited	
Aparna Infra Private Limited	
Aparna Habitat Private Limited	
Aparna Infratech Private Limited	
Aparna Structures Private Limited	
Aparna Buildtech Private Limited	
Aparna Green Pastures Private Limited	
Aparna Affordable housing Private Limited	
Aparna Green Residencies Private Limited	
Aparna Malls Private Limited	
Aparna Urban Tenements Private Limited	

Aparna Constructions and Estates Private Limited
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Aparna Urban Tenements Private Limited Aparna Value Housing Private Limited Aparna Green Vicinities Private Limited Aparna Edifice Private Limited Aparna Colonizers Private Limited Aparna Mansions Private Limited Aparna Villas Private Limited Aparna County Private Limited Redeo Property Holdings Private Limited Astoria Solutions Pvt Ltd Aparna Green Housing LLP Aparna Urban Resicomplexes LLP	
Key Managerial Personnel	
Mr. S Subrahmanyam Reddy	Managing Director
Mr C Venkateswara Reddy	Director
Mr C Rakesh Reddy	Director

Related party transactions
The following transactions were carried out with the related parties in the ordinary course of business.

Particulars	March 31, 2018	March 31, 2017
Aparna Enterprises Limited		
- Purchase of Construction Material	7,740.81	5,487.58
- Material Advance	1,000.00	73.00
Aparna Infrahousing Private Limited		
- Income from PMA & SMA Fee	1,694.22	1,190.00
- Contract Income	3,701.06	1,920.08
- Mobilisation Advance	-	350.00
- Sale of land	931.25	-
- Reimbersement of Expenses	524.92	432.27
- Reimbersement for Expenses	144.53	100.50
Aparna Habitat Private Limited		
- Sale of Land	-	1,928.72
Aparna County Private Limited		
- Sale of Land	-	

Aparna Constructions and Estates Private Limited
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(All amounts in Rs. lacs, unless otherwise stated)

		1,750.27
Aparna Infra Pvt Ltd		
- Contract Expenses	147.85	33.34
- Hire Charages	-	295.32
- Advance Received		800.00
Aparna Shelters Private Limited		
- Income from PMA & SMA Fee	232.68	116.38
- Contract Income	2,547.04	531.60
- Mobilisation Advance	459.00	215.00
Aparna Property Management Services Pvt Ltd		
- Interest Payment	49.47	43.34
- Repayment of ICD	60.26	618.98
S Subrahmanyam Reddy		
- Commission	-	60.00
C Venkateswara Reddy		
- Interest Payment	30.00	33.00
- Rent	30.00	30.00
- Commission	-	36.00
C. SriLakshmi		
- Commission	-	12.00
Directors Remuneration		
Mr. S Subrahmanyam Reddy	336.00	276.00
Mr C Venkateswara Reddy	204.00	180.00
Mr C Rakesh Reddy	36.00	36.00
Mrs. C. Sri Lakshmi	48.00	36.00

Note AA Explanation of transition to Ind AS

As stated in Note 2, these are the Company's first financial statements prepared in accordance with Ind AS. For the year ended 31 March 2017, the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 3 have been applied in preparing these financial statements for the year ended 31 March 2018 including the comparative Information for the year ended 31 March 2017 and the opening Ind AS balance sheet on the date of transition i.e. 1 April 2016.

In preparing its Ind AS balance sheet as at 1 April 2016 and in presenting the comparative information for the year ended 31 March 2017, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A. Optional exemptions availed

1 Property plant and equipment, capital work-in-progress and intangible assets

As per Ind AS 101 an entity may elect to:

i) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date.

ii) use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to

- fair value;
- or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

iii) use carrying values of property, plant and equipment as on the date of transition to Ind AS (which are measured in accordance with previous GAAP) if there has been no change in its functional currency on the date of transition.

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all of the items of property, plant and equipment, intangible assets and capital work-in-progress.

2 Investments in equity instruments of subsidiaries and joint ventures

i) At Cost

If a first-time adopter measures such an investment at cost in accordance with Ind AS 27, it shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

a) Cost determined in accordance with Ind AS 27 or
b) Deemed cost. The deemed cost of such an investment shall be its
i) Fair value, determined in accordance with Ind AS 109
ii) Previous GAAP carrying amount at that date.

The deemed cost exemption is available on an investment-by-investment basis.

B. Mandatory exceptions

1 Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

a) Fair valuation of financial instruments carried at FVTPL and/ or FVOCI.
b) Determination of the discounted value for financial instruments carried at amortised cost.

2 Derecognition of financial assets and liabilities

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the derecognition principles of Ind AS 109 prospectively as reliable information was not available at the time of initially accounting for these transactions.

3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.