



INDEPENDENT AUDITOR'S REPORT

To the Members of Prestige Bidadi Holdings Private Limited

1. Report on the Financial Statements

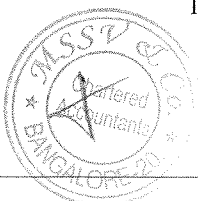
We have audited the accompanying Ind AS financial statements of Prestige Bidadi Holdings Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Standalone 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

3.1 Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform



the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

3.2 An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

4. Opinion

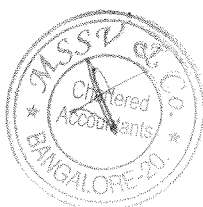
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

5.1 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 of the matters specified in paragraphs 3 and 4 of the Order.

5.2 As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c. The Balance Sheet, the Statement of Profit and Loss, the statement of cash flows and the 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 read with relevant rule issued thereunder;
- e. On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position.
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



- iv. the Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.

for MSSV & Co.

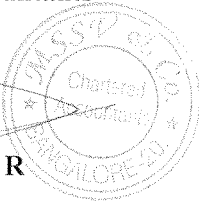
Chartered Accountants

FRN 001987S


Shiv Shankar T R

Partner

Membership No. 220517



Place of Signature : Bangalore

Date : 27th May, 2017

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT**Referred to in paragraph 5.1 of our report of even date**

Based upon the information and explanations furnished to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

1. In respect of Fixed Assets:

The company is not holding any fixed asset and hence commenting on paragraph 3(i) of the Companies (Auditor's Report) Order, 2016 ('the Order') does not arise.

2. In respect of its inventories:

In our opinion and according to information and explanations given to us, having regard to the nature of inventories, the procedure of physical verification by way of verification of title deeds and site visits by the management were reasonable and adequate in relation to size of the company and nature of its business.

3. In respect of loans secured or unsecured, granted by the Company to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:

During the period covered by our audit, company has not granted any loan to any person covered under the register maintained under section 189 of the Companies Act, 2013. Hence, commenting on paragraph 3(iii) of the Order does not arise.

4. The Company has not made any loans, investments, guarantees, and security during the financial year in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are to be complied with hence commenting on paragraph 3(iv) of the Order does not arise.

5. According to the information and explanations given to us, the Company has not accepted any deposit during the year covered under our audit. Hence commenting on the compliance of Section 73 to 76 of the Companies Act, 2013 read with rules framed thereunder and the directives issued by the Reserve Bank of India does not arise.

6. According to the information and explanations given to us, maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 has not been prescribed to the Company.



7. In respect of statutory dues:

- a. Undisputed statutory dues including Provident Fund, , Employees' State Insurance, Sales Tax, Wealth Tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues applicable to it have generally been regularly deposited with the appropriate authorities though there have been slight delays in remittance of Income Tax (TDS) in a few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Wealth Tax, Duty of Customs, Duty of Excise, Cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except for those stated below:

Statute	Nature of dues	Period	Amount (in Rs.)
Income-tax Act, 1961	Interest on TDS	Financial Year 2015-16	75,022

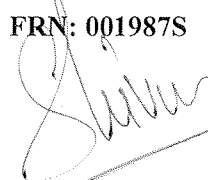
- b. According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty, cess and service tax which have not been deposited on account of any dispute.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to debenture holders. The Company did not have any dues to banks and financial institutions during the year.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the financial year. Hence commenting on of paragraph 3(ix) of the Order does not arise.
10. According to information given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us, Company has not paid/provided for managerial remuneration. Hence commenting on of paragraph 3(xi) of the Order does not arise.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Hence commenting on of paragraph 3(xii) of the Order does not arise.



13. According to information given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to information 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 under review.
15. According to information given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence commenting on of paragraph 3(xv) of the Order does not arise.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

for MSSV & Co.,
Chartered Accountants
FRN: 001987S


Shiv Shankar T R

Partner

Membership No: 220517



Place of Signature : Bangalore

Date : 27th May, 2017

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT**Referred to in paragraph 5.2(f) of our report of even date****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143
of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting M/s. Prestige Bidadi Holdings Private Limited "the Company" as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.



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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating

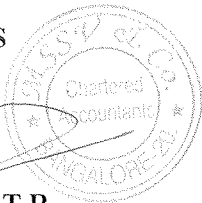
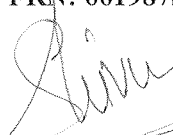


effectively as at March 31, 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for MSSV & Co.,

Chartered Accountants

FRN: 001987S



Shiv Shankar T R

Partner

Membership No: 220517

Place of Signature : Bangalore

Date : 27th May, 2017

PRESTIGE BIDADI HOLDINGS PRIVATE LIMITED
The Falcon House' #1, Main Guard Cross Road, Bangalore - 560 001
CIN: U45201KA2007PTC041392
BALANCE SHEET AS AT 31 MARCH, 2017

₹ in hundreds

Particulars	Note No.	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
I. ASSETS				
Non current assets				
a) Other non current assets	5	1,728.69	407.61	-
		1,728.69	407.61	-
Current assets				
a) Inventories	6	74,61,703.42	69,33,379.44	68,96,508.03
b) Financial asset				
(i) Cash and cash equivalents	7	1,672.86	2,046.39	5,078.07
(ii) Loans	8	64.95	-	-
(ii) Other financial assets	9	7,19,00,537.45	-	-
c) Other current asset	10	53,19,125.12	53,20,125.13	52,55,988.15
		8,46,83,103.80	1,22,55,550.96	1,21,57,574.25
Total		8,46,84,832.49	1,22,55,958.57	1,21,57,574.25
II. EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	11	9,37,500.00	9,37,500.00	9,37,500.00
Other equity	12	61,36,094.31	61,58,743.26	66,74,962.46
		70,73,594.31	70,96,243.26	76,12,462.46
LIABILITIES				
Current liabilities				
(a) Financial Liabilities				
(i) Short-term borrowings	13	35,50,722.00	34,80,722.00	32,95,722.00
(ii) Other financial liabilities	14	7,40,46,197.52	16,57,943.33	12,02,750.15
(b) Other current liabilities	15	14,318.66	21,049.98	46,639.64
		7,76,11,238.18	51,59,715.31	45,45,111.79
Total		8,46,84,832.49	1,22,55,958.57	1,21,57,574.25

Accompanying notes forming part of the Financial Statements

This is the balance sheet referred to in our report of even date

for MSSV & Co.

Chartered Accountants

Firm Registration No.0019875

Shiv Shankar T.R.

Partner

Membership No.220517

For and on behalf of the Board

Almas Rezwan

Director

DIN: 01217463

Uzma Irfan

Director

DIN: 01216604

Place: Bangalore

Date: 27 May,2017

Place: Bangalore

Date: 27 May,2017

Place: Bangalore

Date: 27 May,2017

PRESTIGE BIDADI HOLDINGS PRIVATE LIMITED
The Falcon House' #1, Main Guard Cross Road, Bangalore - 560 001
CIN: U45201KA2007PTC041392
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2017

₹ in hundreds

Particulars	Note No.	Year ended 31 Mar 2017	Year ended 31 Mar 2016
Revenue from operations		-	-
Other income		-	-
Total Revenue (I)		-	-
Expenses			
Finance costs	16	-	5,10,850.64
Other expenses	17	22,648.95	5,368.56
Total expenses (II)		22,648.95	5,16,219.20
Profit / Loss before tax (III=I-II)		(22,648.95)	(5,16,219.20)
Tax expense:			
Current tax		-	-
Deferred tax		-	-
Total Tax expense (IV)		-	-
Loss for the year (V= III-IV)		(22,648.95)	(5,16,219.20)
Other comprehensive income (VI)		-	-
Total Comprehensive Income (V+VI)		(22,648.95)	(5,16,219.20)
Earnings Per Share (equity shares, par value Rs 10 each)			
- basic and diluted (in Rupees)	27	(0.24)	(5.51)
Weighted average number of equity shares considered for computing earnings per share (in numbers)		93,75,000.00	93,75,000.00

Accompanying notes forming part of the Financial Statements

This is the statement of profit and loss referred to in our report of even date

for **MSSV & Co.**

Chartered Accountants

Firm Registration No.001987S

Shiv Shankar T.R

Partner

Membership No.220517

For and on behalf of the Board

Almas Rezwan *Uzma Irfan*

Almas Rezwan

Director

DIN: 01217463

Uzma Irfan

Director

DIN: 01216604

Place: Bangalore

Date: 27 May,2017

Place: Bangalore

Date: 27 May,2017

Place: Bangalore

Date: 27 May,2017

PRESTIGE BIDADI HOLDINGS PRIVATE LIMITED
The Falcon House' #1, Main Guard Cross Road, Bangalore - 560 001
CIN: U45201KA2007PTC041392
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2017

₹ in hundreds

Particulars	Note No.	Year ended 31 March 2017	Year ended 31 March 2016
CASH FLOW FROM OPERATING ACTIVITIES			
Net Loss before taxation		(22,648.95)	(5,16,219.20)
Adjustments for non-cash & non-operating items:			
Finance costs	16	-	5,04,454.61
Operating loss before working capital changes		(22,648.95)	(11,764.59)
Adjustments for			
Increase in current/non-current financial liabilities		7,19,12,805.08	1,184.03
(Decrease) in current/non-current liabilities		(6,731.32)	(25,589.66)
(Increase) in inventories		(51,874.86)	(1,01,008.39)
(Increase) in current/ non-current assets		(7,19,01,858.53)	(407.61)
(Increase) in short term/ long term loans & advances		(64.95)	-
Cash generated from operations		(70,373.53)	(1,37,586.22)
Income tax refund / (payment)		-	-
Net Cash from operating activities - A		(70,373.53)	(1,37,586.22)
CASH FLOW FROM INVESTING ACTIVITIES			
Net Cash From / used in Investing Activities -B		-	-
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from short term borrowings (Net)		70,000.00	1,85,000.00
Financial Expenses		-	(50,445.46)
Net Cash From / used in financing activities -C		70,000.00	1,34,554.54
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)		(373.53)	(3,031.68)
Cash & Cash equivalents opening balance	7	2,046.39	5,078.07
Cash & Cash equivalents closing balance		1,672.86	2,046.39

Accompanying notes forming part of the Financial Statements

This is the statement of cash flow referred to in our report of even date

for MSSV & Co.

Chartered Accountants

Firm Registration No.0019875

Shiv Shankar T.R

Partner

Membership No.220517

For and on behalf of the Board

Almas Rezwan *Uzma Irfan*

Almas Rezwan

Director

DIN: 01217463

Uzma Irfan

Director

DIN: 01216604

Place: Bangalore

Date: 27 May,2017

Place: Bangalore

Date: 27 May,2017

Place: Bangalore

Date: 27 May,2017

PRESTIGE BIDADI HOLDINGS PRIVATE LIMITED
The Falcon House' #1, Main Guard Cross Road, Bangalore - 560 001
CIN: U45201KA2007PTC041392

STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2017

₹ in hundreds

Particulars	Equity share capital	Other Equity			Total equity
		Compulsory convertible debentures	Securities premium	Retained Earnings	
As at 1 April 2015	9,37,500.00	51,92,030.00	28,25,000.00	(13,42,067.54)	76,12,462.46
Profit for the year	-	-	-	(5,16,219.20)	(5,16,219.20)
Other Comprehensive Income / (Loss) for the year, net of income tax	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	(5,16,219.20)	(5,16,219.20)
As at 31 March 2016	9,37,500.00	51,92,030.00	28,25,000.00	(18,58,286.74)	70,96,243.26
Profit for the year	-	-	-	(22,648.95)	(22,648.95)
Other Comprehensive Income / (Loss) for the year, net of income tax	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	(22,648.95)	(22,648.95)
As at 31 March 2017	9,37,500.00	51,92,030.00	28,25,000.00	(18,80,935.69)	70,73,594.31

Accompanying notes forming part of the Financial Statements

This is the statement of changes in equity referred to in our report of even date

for MSSV & Co.

Chartered Accountants

Firm Registration No.0019875

Shiv Shankar T.R

Partner

Membership No.220517

For and on behalf of the Board

Almas Rezwan *Uzma Irfan*

Almas Rezwan

Director

DIN: 01217463

Uzma Irfan

Director

DIN: 01216604

Place: Bangalore

Date: 27 May,2017

Place: Bangalore

Date: 27 May,2017

Place: Bangalore

Date: 27 May,2017

NOTES FORMING PART OF FINANCIAL STATEMENTS

1 Corporate Information

M/s. Prestige Bidadi Holdings Private Limited ("the Company") was incorporated on 5th January 2007 as a company under the Companies Act, 1956 ("the 1956 Act"). The Company is engaged in the business of real estate development.

The Company is a private limited company incorporated and domiciled in India and has its registered office at The Falcon House' #1, Main Guard Cross Road, Bangalore, Karnataka, India.

The financial statements are approved for issue by the Company's Board of Directors on May 27, 2017

2 Significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Act") (to the extent notified). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules, 2016.

The Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Sec 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1 April 2015. Refer Note 4 for the details of first-time adoption exemptions availed by the Company.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest hundreds, or decimal thereof as per the requirement of Schedule III, unless otherwise stated.

2.3 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities), income and expenses and accompanying disclosures. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.4 Fair value measurement

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;



NOTES FORMING PART OF FINANCIAL STATEMENTS

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.5 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

2.6 Borrowing Cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset, is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

A qualifying asset is an asset that necessarily takes a 12 months or more to get ready for its intended use or sale and includes the real estate properties developed by the Company.

2.7 Foreign Currency Transactions

All transactions in foreign currency are recorded on the basis of the exchange rate prevailing as on the date of transaction. The difference, if any, on actual payment / realisation is recorded to the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currency are restated at rates prevailing at the year-end. The net loss or gain arising out of such conversion is dealt with in the Statement of Profit and Loss.

2.8 Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

a. Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

b. Deferred tax

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



NOTES FORMING PART OF FINANCIAL STATEMENTS

Current tax and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

c. Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the entity.

2.9 Property, plant and equipment's

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition and installation, including interest on borrowing for the project / property, plant and equipment's up to the date the asset is put to use. Any cost incurred relating to settlement of claims regarding titles to the properties is accounted for and capitalised as incurred.

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

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 recognised as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation method, estimated useful lives and residual values

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on property, plant and equipment's is provided using written-down value method over the useful lives of assets estimated by the Management.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in statement of profit and loss.

2.10 Capital work-in-progress

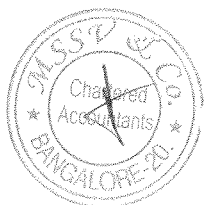
Projects under which tangible assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

Depreciation is not provided on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

2.11 Impairment of tangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.



NOTES FORMING PART OF FINANCIAL STATEMENTS

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.12 Inventories

Stock of units in completed projects and work-in-progress are valued at lower of cost and net realisable value. Cost is aggregate of land cost, materials, contract works, direct expenses, provisions and apportioned borrowing costs and is net of material's scrap receipts.

2.13 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

2.14 Financial Instruments

2.14a Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.14b Subsequent measurement

a. Non-derivative financial instruments

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.



NOTES FORMING PART OF FINANCIAL STATEMENTS

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

b. Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognized as a deduction from equity, net of any tax effects.

2.14c Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.14d Impairment of financial assets

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

2.15 Operating cycle and basis of classification of assets and liabilities

- a. The real estate development projects undertaken by the Company is generally run over a period ranging upto 5 years. Operating assets and liabilities relating to such projects are classified as current based on an operating cycle of 5 years. Borrowings in connection with such projects are classified as short-term (i.e. current) since they are payable over the term of the respective projects.
- b. Assets and liabilities, other than those discussed in paragraph (a) above, are classified as current to the extent they are expected to be realised / are contractually repayable within 12 months from the Balance sheet date and as non-current, in other cases.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised 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 non-current.

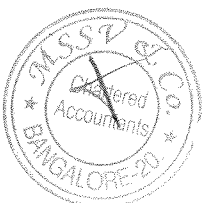
A liability is current when:

- 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.

2.16 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.



NOTES FORMING PART OF FINANCIAL STATEMENTS

2.17 Earnings per share

Basic earnings per share has been computed by dividing net income by the weighted average number of shares outstanding during the year. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

2.18 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

3 Recent accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires 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 Company is evaluating the requirements of the amendment and the effect on the financial statements.

Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

Ind AS 102 Share based payment is not applicable to the Company, hence the amendment has no impact on the Company.

4 First-time adoption - mandatory exceptions, optional exemptions

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note have been applied in preparing the financial statements for the year ended 31 March, 2017, the comparative information presented in these financial statements for the year ended 31 March, 2016 and in the preparation of an opening Ind AS balance sheet at 1 April, 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or India GAAP).

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exemptions applied in the transition for previous GAAP to Ind AS.

Ind AS optional exemptions

4.1 Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment's covered by Ind AS 16 *Property, plant and equipment's* as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 *Intangible Assets* and Investment property covered by Ind AS Investment properties.



NOTES FORMING PART OF FINANCIAL STATEMENTS

The Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

Ind AS Mandatory exemptions

4.2 Estimates

As entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

- a. Investment in equity instruments carried at FVPL;
- b. Investment in debt instruments carried at FVPL; and
- c. Impairment of financial assets based on expected credit loss method.

4.3 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that 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 initial accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.



NOTES FORMING PART OF FINANCIAL STATEMENTS

5 Other non current asset (unsecured, considered good)

₹ in hundreds

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Advance VAT & Service Tax	1,728.69	407.61	-
	<u>1,728.69</u>	<u>407.61</u>	<u>-</u>

6 Inventories (lower of cost and net realizable value)

₹ in hundreds

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Work In Progress - Projects	74,61,703.42	69,33,379.44	68,96,508.03
	<u>74,61,703.42</u>	<u>69,33,379.44</u>	<u>68,96,508.03</u>

7 Cash and cash equivalents

₹ in hundreds

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Balances with banks - in current accounts	1,672.86	2,046.39	5,078.07
	<u>1,672.86</u>	<u>2,046.39</u>	<u>5,078.07</u>

Details of Specified Bank Notes (SBN) held and transacted during the period from 8 November, 2016 to 30 December, 2016 are as follows

	Specified Bank Notes	Other Denomination Notes	Total
Closing cash in hand as on 8 November, 2016	-	-	-
Add: Permitted receipts	-	-	-
Less: Permitted payments	-	-	-
Less: Amount deposited in	-	-	-
Closing cash in hand as on 30 December, 2016	<u>-</u>	<u>-</u>	<u>-</u>

8 Loans - Current

₹ in hundreds

Particulars	Note No.	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Other advances to related parties	26	64.95	-	-
		<u>64.95</u>	<u>-</u>	<u>-</u>

Due from related parties:

Directors	-	-	-
Firms in which directors are partners	-	-	-
Companies in which directors of the Company are directors or members	64.95	-	-



NOTES FORMING PART OF FINANCIAL STATEMENTS

9 Other financial assets - Current

Particulars	₹ in hundreds		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
To related parties - unsecured, considered good			
Other receivables	7,19,00,537.45	-	-
	7,19,00,537.45	-	-
Due from related parties:			
Directors	-	-	-
Firms in which directors are partners	-	-	-
Companies in which directors of the Company are directors or members	7,19,00,537.45	-	-

10 Other current assets

Particulars	₹ in hundreds		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
To Others - unsecured, considered good			
Advance paid for purchase of land	53,19,125.12	53,20,125.13	52,55,988.15
	53,19,125.12	53,20,125.13	52,55,988.15

11 Equity share capital

Particulars	₹ in hundreds		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Authorised capital			
10,000,000 (31 March 2016 - 10,000,000, 1 April 2015 10,000,000,) equity shares of Rs 10 each	10,00,000.00	10,00,000.00	10,00,000.00
Issued, subscribed and paid up capital			
93,75,000 (31 March 2016 - 93,75,000, 1 April 2015 93,75,000,) equity shares of Rs 10 each	9,37,500.00	9,37,500.00	9,37,500.00
	9,37,500.00	9,37,500.00	9,37,500.00

a) List of persons holding more than 5 percent equity shares in the Company

Name of the share holder	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
Prestige Estates Projects Limited	93,69,000	99.94%	93,69,000	99.94%	93,69,000	99.94%
	93,69,000	99.94%	93,69,000	99.94%	93,69,000	99.94%

The company has not issued any bonus shares or any shares pursuant to contract(s) without payment being received in cash.



NOTES FORMING PART OF FINANCIAL STATEMENTS

b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Particulars	₹ in hundreds except number of shares					
	As at		As at		As at	
	31 March 2017		31 March 2016		1 April 2015	
	No of shares	Amount (Rs.)	No of shares	Amount (Rs.)	No of shares	Amount (Rs.)
Equity Shares						
At the beginning	93,75,000	9,37,500.00	93,75,000	9,37,500.00	93,75,000	9,37,500.00
Issued during the year	-	-	-	-	-	-
Outstanding at the end	93,75,000	9,37,500.00	93,75,000	9,37,500.00	93,75,000	9,37,500.00

- c) The Company has only one class of equity shares with voting rights having par value of Rs. 10 each. The rights, preferences and restrictions attached to such equity shares is in accordance with the terms of issue of equity shares under the Companies Act, 2013 and the Articles of Association of the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the 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 shareholders.

d) Details of shares held by the holding company

Particulars	As at		As at		As at	
	31 March 2017		31 March 2016		1 April 2015	
	No of shares	% of holding	No of shares	% of holding	No of shares	% of holding
Prestige Estates Projects Limited	93,69,000	99.94%	93,69,000	99.94%	93,69,000	99.94%
	93,69,000	99.94%	93,69,000	99.94%	93,69,000	99.94%

12 Other Equity

Particulars	Note No.	₹ in hundreds		
		As at	As at	As at
		31 March 2017	31 March 2016	1 April 2015
Reserves and Surplus	12a	9,44,064.31	9,66,713.26	14,82,932.46
Compulsorily Convertible Debentures	12b	51,92,030.00	51,92,030.00	51,92,030.00
		61,36,094.31	61,58,743.26	66,74,962.46

12a Reserves and Surplus

Particulars	₹ in hundreds		
	As at	As at	As at
	31 March 2017	31 March 2016	1 April 2015
Securities Premium Account			
Opening balance	28,25,000.00	28,25,000.00	28,25,000.00
Add: Additions during the year	-	-	-
	28,25,000.00	28,25,000.00	28,25,000.00
Retained Earnings			
Opening balance	(18,58,286.74)	(13,42,067.54)	(9,24,295.76)
Add: Net loss for the year	(22,648.95)	(5,16,219.20)	(4,17,771.78)
	(18,80,935.69)	(18,58,286.74)	(13,42,067.54)
	9,44,064.31	9,66,713.26	14,82,932.46



NOTES FORMING PART OF FINANCIAL STATEMENTS

Securities premium reserve is used to record the premium on issue of shares and can be utilised in accordance with the provisions of the Act.

12b Compulsorily Convertible Debentures (Unsecured)

Particulars	₹ in hundreds		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
519,203 (31 March 2016 - 519,203, 1 April 2015 - 519,203) Zero Coupon Compulsorily Convertible Debentures (CCD) of Rs. 1,000 each fully paid up	51,92,030.00	51,92,030.00	51,92,030.00
	51,92,030.00	51,92,030.00	51,92,030.00

(i) These debentures are held by holding Company, Prestige Estates Projects Limited.

(ii) The terms of the issue of CCD's which are currently applicable are as follows:

No. of Debentures	Date of Issue	Conversion Date
2,19,203	18-08-2007	31-12-2019
3,00,000	20-02-2008	31-12-2019

-The CCD's are compulsorily convertible into equity shares.

-Each CCD shall carry a zero coupon rate of interest.

-The CCD's are convertible on or before the conversion date at a conversion price subject to the pricing guidelines under applicable laws prevailing at the time of conversion. During the year ended 31 March 2016, the Company has passed resolution extending the conversion date from 31 December 2015 to 31 December 2019 or earlier date as may be mutually agreed.

13 Borrowings - Current

Particulars	Note No.	₹ in hundreds		
		As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Loans and advances from related parties (unsecured, repayable on demand)				
-Inter corporate deposits*	26	35,50,722.00	34,80,722.00	32,95,722.00
		35,50,722.00	34,80,722.00	32,95,722.00

*Inter corporate deposits are subject to interest rate of 15% per annum.

14 Other financial liabilities - Current

Particulars	Note No.	₹ in hundreds		
		As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Interest accrued but not due on borrowings	26	21,31,691.79	16,56,242.68	12,02,233.53
Other liabilities		7,19,14,505.73	1,700.65	516.62
		7,40,46,197.52	16,57,943.33	12,02,750.15

15 Other current liabilities

Particulars	₹ in hundreds		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Withholding taxes and duties	14,318.66	21,049.98	46,639.64
	14,318.66	21,049.98	46,639.64



NOTES FORMING PART OF FINANCIAL STATEMENTS

16 Finance Costs

		₹ in hundreds	
Particulars	Note No.	Year ended 31 March 2017	Year ended 31 March 2016
Interest on Inter Corporate Deposit	26	5,28,276.79	5,04,454.61
Interest on delayed payment of TDS		-	6,396.03
		<u>5,28,276.79</u>	<u>5,10,850.64</u>
Less: Borrowing cost apportioned to projects		(5,28,276.79)	-
Finance costs charged to Statement of Profit & Loss		<u>-</u>	<u>5,10,850.64</u>

17 Other Expenses

		₹ in hundreds	
Particulars	Note No.	Year ended 31 March 2017	Year ended 31 March 2016
Printing and stationery		19.20	3.44
Rates and taxes		5,217.80	272.67
Legal and professional		3,992.01	1,837.73
Auditors remuneration	25	333.50	332.05
Repairs and maintenance		13,078.73	2,871.48
Miscellaneous expenses		7.71	51.19
		<u>22,648.95</u>	<u>5,368.56</u>

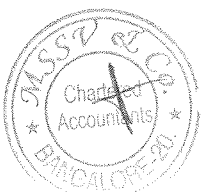
18 Tax expenses

a Income tax recognised in profit or loss

		₹ in hundreds	
Particulars		Year ended 31 March 2017	Year ended 31 March 2016
Current tax			
In respect of the current year		-	-
		<u>-</u>	<u>-</u>
Deferred tax			
In respect of the current year		-	-
		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>

b Reconciliation of tax expense and accounting profit

		₹ in hundreds	
Particulars		Year ended 31 March 2017	Year ended 31 March 2016
Profit before tax from continuing operations		(22,648.95)	(5,16,219.20)
Tax rate		30.90%	30.90%
Income tax expense calculated at applicable tax rate		(6,998.53)	(1,59,511.73)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income			
Effect of expenses that are not deductible in determining taxable profit		-	1,976.37
Effect of unused tax losses and tax offsets not recognised as deferred tax assets		6,998.53	1,57,535.36
Income tax expense recognised in statement of profit or loss		<u>-</u>	<u>-</u>



NOTES FORMING PART OF FINANCIAL STATEMENTS

- 19 In the opinion of the Management all the current assets have on value of realization in the ordinary course of business which is at least equal to the amount at which they are stated in the balance sheet.

20 Contingent liabilities and capital commitments

Particulars	₹ in hundreds		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Contingent liabilities			
Claims against the Company not acknowledged as debts	-	-	-
Corporate guarantee given on behalf of companies under the same management	13,87,500.00	13,87,500.00	13,87,500.00
Capital commitment			
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	-	-

There are few cases filed against the company with respect to the lands which was purchased by the company. Further, the company has also filed cases against the parties on the same matter. Presently, the cases are in subjudice. The company is confident of obtaining a favourable verdict. Hence, the company does not foresee liability arising from the above cases.

21 Fair values

None of financial assets are measured at fair values.

The fair value of the financial assets and liabilities will approximate to its carrying amounts.

22 Financial risk management objectives and policies

The company's risk management is carried out by Board of directors in accordance with the policies laid down. The board of directors of the company identifies, evaluates and manages risk in close co-operation with the holding company's management.

The objectives, policies and process of managing the each type of risk is detailed as below:

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and advances.

Interest rate risk

The company has sourced its fund requirements from Inter Corporate deposits with fixed rate of interest and are repayable on demand. Hence, the company is not exposed to interest rate risk.

II Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The company's exposure is mainly with regard to capital advance paid towards acquisition of multiple land units and receivable from certain related parties. The credit exposure is controlled by the Board of Directors through continuous review of the status of such advances.



NOTES FORMING PART OF FINANCIAL STATEMENTS

III Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient funds to meet its liabilities as and when they are due. The Company's Board undertakes this responsibility and supervises the liquidity ratios at regular intervals.

As at March 31, 2017, all the financial liabilities of the company are expected to be settled within 12 months from the end of the reporting period except for the following:

-Inter corporate deposits - INR 35.51 Crores. Though the said Inter Corporate Deposit is repayable on demand, the company doesn't expect to be settled within 12 months.

23 Capital management

The company manages its capital in such a way to ensure that there is timely availability of funds for the operations. The capital structure of the Company consists of equity and short term debt (Inter corporate Deposits). Till 31st March 2017, the operations of the company are predominantly funded by means of Inter corporate deposits. The Company is not subject to any externally imposed capital requirements. The Company's Board reviews the capital structure and determines the appropriate composition of debt and equity.

24 There are no employees employed by the Company and accordingly there are no employee costs and provision for employee benefits.

25 Auditors' Remuneration

Particulars	₹ in hundreds	
	Year ended 31 March 2017	Year ended 31 March 2016
Payment to Auditors (Including service tax) :		
For statutory audit	230.00	229.00
For limited review	103.50	103.05
	333.50	332.05

26 Related party disclosure

(i) List of Related Parties and Relationships -

Controlling Enterprise

Prestige Estates Projects Limited - Holding Company

Other Related parties with whom the Company had transactions :-

Companies under Common control

Prestige Property Management & Services

Prestige Hospitality Ventures

Prestige Retail Ventures

Companies/firms in which directors/ KMP are interested

Prestige Golf Resorts Private Limited

Key Management Personnel

Mrs. Almas Rezwan, Director

Mr. Faiz Rezwan, Director

Mrs. Uzma Irfan, Director

Mr. Biji George Koshy, Director

Mr. Noor Ahmed Jaffer, Director



PRESTIGE BIDADI HOLDINGS PRIVATE LIMITED
The Falcon House' #1, Main Guard Cross Road, Bangalore - 560 001
CIN: U45201KA2007PTC041392

NOTES FORMING PART OF FINANCIAL STATEMENTS

(ii) Transactions with Related Parties during the year-

Particulars	₹ in hundreds	
	Year ended 31 March 2017	Year ended 31 March 2016
Inter-corporate deposits received		
<i>Controlling Enterprise</i>		
Prestige Estates Projects Limited	70,000.00	1,85,000.00
	<u>70,000.00</u>	<u>1,85,000.00</u>
Service received		
<i>Companies under Common control</i>		
Prestige Property Management & Services	8,981.33	2,871.48
	<u>8,981.33</u>	<u>2,871.48</u>
Interest on Inter-corporate deposits received		
<i>Controlling Enterprise</i>		
Prestige Estates Projects Limited	5,28,276.79	5,04,454.61
	<u>5,28,276.79</u>	<u>5,04,454.61</u>

(iii) Balance Outstanding

Particulars	₹ in hundreds		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Inter corporate deposits received			
<i>Controlling Enterprise</i>			
Prestige Estates Projects Limited	35,50,722.00	34,80,722.00	32,95,722.00
	<u>35,50,722.00</u>	<u>34,80,722.00</u>	<u>32,95,722.00</u>
Interest payable on Inter corporate deposits			
<i>Controlling Enterprise</i>			
Prestige Estates Projects Limited	21,31,691.79	16,56,242.68	12,02,233.53
	<u>21,31,691.79</u>	<u>16,56,242.68</u>	<u>12,02,233.53</u>
Payables			
<i>Controlling Enterprise</i>			
Prestige Estates Projects Limited	7,19,00,568.14	30.69	30.69
<i>Companies under Common control</i>			
Prestige Property Management & Services	8,973.02	-	-
<i>Companies/ firms in which directors/ KMP are interested</i>			
Prestige Golf Resorts Private Limited	-	915.91	-
	<u>7,19,09,541.16</u>	<u>946.60</u>	<u>30.69</u>
Receivable			
<i>Companies/ firms in which directors/ KMP are interested</i>			
Prestige Golf Resorts Private Limited	6,495.00	-	-
<i>Companies under Common control</i>			
Prestige Hospitality Ventures	4,48,44,986.30	-	-
Prestige Retail Ventures	2,70,55,551.15	-	-
	<u>7,19,07,032.45</u>	<u>-</u>	<u>-</u>
Debentures			
<i>Controlling Enterprise</i>			
Prestige Estates Projects Limited	51,92,030.00	51,92,030.00	51,92,030.00
	<u>51,92,030.00</u>	<u>51,92,030.00</u>	<u>51,92,030.00</u>



PRESTIGE BIDADI HOLDINGS PRIVATE LIMITED
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NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in hundreds

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Equitable Mortgage of Land for Bank Guarantee taken by			
<i>Controlling Enterprise</i>			
Prestige Estates Projects Limited	13,87,500.00	13,87,500.00	13,87,500.00
	13,87,500.00	13,87,500.00	13,87,500.00

a) Related party relationships are as identified by the Company on the basis of information available with them and accepted by the auditors.

b) No amount is / has been written back during the year in respect of debts due from or to related party.

c) Reimbursement of actual expenses is not disclosed in transactions with Related Parties during the year.

27 Earnings/ (Loss) per share

₹ in hundreds except number of shares and per equity share data

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
a) Loss for the year available to equity shareholders	(22,648.95)	(5,16,219.20)
b) Weighted average number of equity shares - Basic	93,75,000.00	93,75,000.00
d) Weighted Average number of Equity shares-Diluted (Refer note below)	93,75,000.00	93,75,000.00
e) Nominal Value of shares	10.00	10.00
f) Basic Earnings per Share	(0.24)	(5.51)
g) Diluted Earnings per Share	(0.24)	(5.51)

Since the rate of conversion of compulsorily convertible debentures issued has not been finalized, potential equity shares on conversion of debentures have not been considered for EPS calculation.

28 There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding at the Balance Sheet date, computed on unit wise basis, determined to the extent such parties identified on the basis of information available with the Company. This has been relied upon by the auditors.

29 First time Ind AS adoption reconciliation

a Reconciliation of total equity as at 31 March 2016 and 1 April 2015

Particulars	As at 31 March 2016	As at 1 April 2015
Total equity (shareholders' fund) under previous GAAP	19,04,213.26	24,20,432.46
<i>Impact of Ind AS adoption to equity</i>		
Compulsorily convertible debentures classified as liability under Ind AS	51,92,030.00	51,92,030.00
Total equity under Ind AS	70,96,243.26	76,12,462.46

b Reconciliation of total comprehensive income for the year ended 31 March 2016

Particulars	Year ended 31 March 2016
Profit as per previous GAAP	(5,16,219.20)
Impact of Ind AS adoption on profit/ loss for the year	-
Profit as per Ind AS	(5,16,219.20)



NOTES FORMING PART OF FINANCIAL STATEMENTS

c Reconciliation of Cash and cash equivalents as at 31 March 2016 and 1 April 2015

Particulars	₹ in hundreds	
	As at 31 March 2016	As at 1 April 2015
Cash and cash equivalents for the purpose of statement of cash flows as per previous GAAP	2,046.39	5,078.07
Impact of Ind AS adoption	-	-
Cash and cash equivalents for the purpose of statement of cash flows under Ind AS	<u>2,046.39</u>	<u>5,078.07</u>

30 There are no foreign currency exposure as at 31 March 2017 that have not been hedged by a derivative instruments or otherwise.

31 Segment Reporting

The operations of the company include real estate development constituting a single segment and has restricted to one geographical area. Hence the disclosure of segment information as per Ind AS 108 is not applicable.

Signatures to Notes 1 to 31 of Financial Statements

for MSSV & Co.

Chartered Accountants

Firm Registration No.001987S

Shiv Shankar T.R

Partner

Membership No.220517

Place: Bangalore

Date: 27 May,2017

For and on behalf of the Board

Almas Rezwan

Director

DIN: 01217463

Place: Bangalore

Date: 27 May,2017

Uzma Irfan

Director

DIN: 01216604

Place: Bangalore

Date: 27 May,2017