

**PERUNGUDI REAL ESTATES PRIVATE LIMITED**

**ANNUAL REPORT 2016-2017**

## **NOTICE**

Notice is hereby given that the Second Annual General Meeting of **Perungudi Real Estates Private Limited** will be held at 10.30 a.m. on Tuesday, 19<sup>th</sup> September, 2017 at 110, Rajiv Gandhi Salai, OMR Road, Thiruvannamiyur, Chennai - 600 041 to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2017, including the Audited Balance Sheet and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. P. Om Prakash (DIN: 05358506), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 139 read with Rule 3 of the Companies (Audit and Auditors) Rules, and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendations of the Board, approval of the Shareholders be and is hereby accorded to ratify the appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (ICAI Firm Registration No.101049W/E300004) as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of Third Annual General Meeting on such remuneration as may be recommended by the Audit Committee and finalized by the Board of Directors in consultation with the Statutory Auditors."."

### **SPECIAL BUSINESS**

4. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT**, pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Mohan Parvatikar (DIN: 00235941), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 18<sup>th</sup> January, 2017 and who holds office until and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to five consecutive years commencing from 18<sup>th</sup> January, 2017."

5. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT**, pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV and all other applicable provisions of the

Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Meera Krishnakumar (DIN: 02179294), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 18<sup>th</sup> January, 2017 and who holds office until the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to five consecutive years commencing from 18<sup>th</sup> January, 2017."

6. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT**, pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Amit Mathur (DIN: 01943856), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 15<sup>th</sup> May, 2017 and who holds office until the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director on the Board of the Company liable to retire by rotation."

Place: Bangalore  
Date: 15<sup>th</sup> May, 2017

By order of the Board  
For Perungudi Real Estates Private Limited

Sd/-  
Om Prakash P  
Director  
DIN: 05358506

Registered Office  
110, Old SRP Tools, Rajiv Gandhi Salai,  
OMR Road, Thiruvannamiyur,  
Chennai- 600041

**NOTES:**

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER.**
- b) Proxies in order to be effective must be received at the Registered Office of the Company not less than forty eight hours before this Annual General Meeting.

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:**

**Item No.4:**

Pursuant to the provisions of Section 161(1) of the Companies Act, 203 and the Articles of Association of the Company, the Board of Directors have appointed Mr. Mohan Parvatikar (DIN: 00235941) as an Additional Director of the Company with effect from 18<sup>th</sup> January, 2017. In terms of the provisions of Section 161(1) of the Act, Mr. Mohan Parvatikar would hold office up to the date of the ensuing Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Mohan Parvatikar for the office of Director of the Company.

Mr. Mohan Parvatikar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company. Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an Independent Director on its Board. As per the said Section 149, an Independent Director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of Directors for retirement by rotation.

The Company has received a declaration from Mr. Mohan Parvatikar that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013.

Mr. Mohan Parvatikar, 60 years old, holds a Bachelor of Engineering degree in electrical from IIT, New Delhi and has done his Masters in Business Administration from the Indian Institute of Management (IIM), Bangalore. He has extensive and versatile experience for over thirty years in the field of Banking, Information Technology and Stock Broking. His other interests include application of quantitative techniques, simulation and modeling of financial systems.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are interested, financial or otherwise, if any in the Resolution No.4 of the accompanying Notice except to the extent of their Shareholding, if any in the Company.

The Board recommends the Ordinary Resolution set out at Item No.4 of the Notice for approval by the Shareholders.

**Item No.5:**

Pursuant to the provisions of Section 161(1) of the Companies Act, 203 and the Articles of Association of the Company, the Board of Directors have appointed Ms. Meera Krishnakumar (DIN: 02179294) as an Additional Director of the Company with effect from 18<sup>th</sup> January, 2017.

In terms of the provisions of Section 161(1) of the Act, Ms. Meera Krishnakumar would hold office up to the date of the ensuing Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Ms. Meera Krishnakumar for the office of Director of the Company.

Ms. Meera Krishnakumar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director of the Company. Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an Independent Director on its Board. As per the said Section 149, an Independent Director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he/she shall not be included in the total number of Directors for retirement by rotation.

The Company has received a declaration from Ms. Meera Krishnakumar that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013.

Mrs. Meera Krishnakumar, 61 years old, holds a Bachelor of Science degree in Chemistry Honours and has done her Masters in Business Administration from Mysore University. She has more than three decades of experience in the field of Banking and Real Estate. She is also an entrepreneur for the last 15 years.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are interested, financial or otherwise, if any in the Resolution No.5 of the accompanying Notice except to the extent of their Shareholding, if any in the Company.

The Board recommends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the Shareholders.

#### **Item No.6:**

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, the Board of Directors have appointed Mr. Amit Mathur (DIN: 01943856), as an Additional Director of the Company with effect from 15<sup>th</sup> May, 2017 to hold office up to the date of the ensuing Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Amit Mathur for the office of Director of the Company.

Mr. Amit Mathur, 45 years old, is a senior investment professional at GIC Real Estate. As a founding member of the GIC RE investment management team in India, he has been deeply involved in driving the investment focus and strategy for India real estate. He holds a Bachelor of Architecture with post-graduate qualifications in Management (MBA) from the University of Sheffield.

He has 21 years of experience in real estate development and investment management. Prior to GIC, Amit has worked with Kotak Realty Fund, Ascendas, K Raheja Corp and Shapoorji Pallonji Group. Amit has led some pioneering investments at GIC and earlier in his career.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are interested, financial or otherwise, if any in the Resolution No.6 of the accompanying Notice except to the extent of their Shareholding, if any in the Company.

The Board recommends the Ordinary Resolution set out at Item No.6 of the Notice for approval by the Shareholders.

Place: Bangalore  
Date: 15<sup>th</sup> May, 2017

**By order of the Board**  
**For Perungudi Real Estates Private Limited**

*Sd/-*  
**Om Prakash P**  
**Director**  
DIN: 05358506

Registered Office  
110, Old SRP Tools, Rajiv Gandhi Salai,  
OMR Road, Thiruvannamiyur,  
Chennai- 600041

**Perungudi Real Estates Private Limited.**

**CIN: U70200TN2015PTC102278**

**Regd. Off. : 110, Rajiv Gandhi Salai, OMR Road, Thiruvanniyur, Chennai - 600 041**

**Second Annual General Meeting on 19<sup>th</sup> September, 2017 at 10.30 a.m.**

**ATTENDANCE SLIP**

***(To be handed over at the entrance of the Meeting Hall)***

CLID/ Folio No. :

DPID. :

No. of Shares held:

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the Second Annual General Meeting of the Company being held on Tuesday, 19<sup>th</sup> September, 2017 at 10.30. a.m. at 110, Rajiv Gandhi Salai, OMR Road, Thiruvanniyur, Chennai - 600 041

\_\_\_\_\_  
Name of the Member/Proxy  
(in Block Letters )

\_\_\_\_\_  
Signature of Member / Proxy

**Notes:** A member/proxy wishing to attend the meeting must fill up this Attendance Slip and hand it over at the entrance. If you intend to appoint a proxy, please complete the proxy form below and deposit it at the Company's Registered Office atleast 48 hours before the meeting.

**Perungudi Real Estates Private Limited.**

**CIN: U70200TN2015PTC102278**

**Regd. Off. : 110, Rajiv Gandhi Salai, OMR Road, Thiruvanniyur, Chennai - 600 041**

**Second Annual General Meeting on 19<sup>th</sup> September, 2017 at 10.30 a.m.**

**PROXY FORM**

CLID/ Folio No. :

DPID. :

No. of Shares held:

I/ We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being Member(s) of Perungudi Real Estates Private Limited hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ or failing him/her appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our proxy to attend and vote for me/us on my/our behalf at the Second Annual General Meeting of the Company to be held on Tuesday, 19<sup>th</sup> September, 2017 at 10.30 a.m. at 110, Rajiv Gandhi Salai, OMR Road, Thiruvanniyur, Chennai - 600 041 and at any adjournment thereof.

\_\_\_\_\_  
Name of the Member/Proxy  
(in Block Letters )

\_\_\_\_\_  
Signature of Member / Proxy

**Notes:** This proxy form duly completed must be received at the Company's Registered Office at least 48 hours before the meeting



**ROUTE MAP OF VENUE OF THE AGM MEETING: 110, RAJIV GANDHI SALAI, OMR ROAD, THIRUVANMIYUR, CHENNAI - 600 041**



# PERUNGUDI REAL ESTATES PRIVATE LIMITED

Regd. Off.: 110, Old SRP Tools, Rajiv Gandhi Salai  
OMR Road, Thiruvanniyur, Chennai - 600 041  
Ph: +91 -044 - 43587017  
CIN: U70200TN2015PTC102278

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## BOARD'S REPORT

Dear Members,

We have pleasure in presenting the Second Annual Report on business and operations of the Company together with the Audited Statement of Accounts for the financial year ended 31<sup>st</sup> March, 2017.

### FINANCIAL HIGHLIGHTS:

Particulars	2016-17	(Rupees in Lakhs)
		For the period from 21 <sup>st</sup> September, 2015 to 31 <sup>st</sup> March, 2016
Total Income	9.79	68.85
Total Expenses	27.93	40.90
<b>Profit/(Loss) before tax</b>	<b>(18.14)</b>	<b>27.95</b>
Provision for : Current Tax	-	8.67
<b>Net Profit/(Loss) after Tax</b>	<b>(18.14)</b>	<b>19.28</b>
Other Comprehensive Income	-	-
<b>Total Comprehensive Income</b>	<b>(18.14)</b>	<b>19.28</b>

### FINANCIAL & OPERATIONAL OVERVIEW:

During the year your Company has earned the revenue by way of total income amounting to Rs.9.79 lakhs compared to Rs.68.85 lakhs in the previous year which are primarily other income. Yours company has incurred net loss of Rs. Rs.18.14 lakhs as compared to a profit of Rs.19.28 lakhs in the previous year.

Your Company is in process of obtaining approvals for development of commercial space aggregating to 2 million sq. ft. and a residential development of 0.5 million sq ft approximately.

### SUBSIDIARIES/ JOINT VENTURES AND ASSOCIATES:

The Company is subsidiary of Brigade Enterprises Limited and there are no subsidiaries/ associates.

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## TRANSFER TO RESERVES:

An amount of Rs.3.88 lakhs has been transferred from Debenture Redemption Reserves to General Reserve on conversion of optionally convertible debentures.

## DIVIDEND:

Directors have not recommended any dividend for the year.

## FIXED DEPOSITS:

The Company has not accepted any deposits in terms of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, during the year and accordingly, no amount is outstanding as on the Balance Sheet date.

## SHARE CAPITAL & ISSUE OF SECURITIES:

During the year the Authorised Share Capital was increased from the Rs.6,00,00,000/- (Rupees Six Crores Only) comprising of

1. Rs.10,00,000 (Ten Lakhs only) divided into 1,00,000 'Class A' Equity Shares of Rs.10/- each
2. Rs.2,88,90,000 (Two Crores Eighty Eight Lakhs Ninety Thousand only) divided into 28,89,000 'Class B' Equity Shares of Rs.10/- each
3. Rs.2,78,00,000 (Two Crores Seventy Eight Lakhs only) divided into 27,80,000 'Class C' Equity Shares of Rs.10/- each
4. Rs.23,10,000 (Twenty Three Lakhs Ten Thousand only) divided into 23,100 'A Series' Compulsorily Convertible Preference Shares (CCPS) of Rs.100/- each to Rs.124,93,10,000 (Rupees One Hundred and Twenty Four Crores Ninety Three Lakhs Ten Thousand only) divided into:
  1. Rs.10,00,000 (Ten Lakhs only) divided into 1,00,000 'Class A' Equity Shares of Rs.10/- each
  2. Rs.62,40,00,000 (Sixty Two Crores Forty Lakhs only) divided into 6,24,00,000 'Class B' Equity Shares of Rs.10/- each
  3. Rs.62,20,00,000 (Sixty Two Crores Twenty Lakhs only) divided into 6,22,00,000 'Class C' Equity Shares of Rs.10/- each

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4. Rs.23,10,000 (Twenty Three Lakhs Ten Thousand only) divided into 23,100 'A Series' Compulsorily Convertible Preference Shares (CCPS) of Rs.100/- each

The Paid up Share Capital was increased from Rs. 6,00,00,000/- (Rupees Six Crores Only) comprising of:

## **Brigade Enterprises Limited:**

1. 51,000 Class A Equity Shares issued at a price of INR 10 per share
2. 28,89,000 Class B Equity Shares issued at a price of INR 10 per share

## **Reco Caspia Private Limited:**

1. 49,000 Class A Equity Shares issued at a price of INR 10 per share
2. 27,80,000 Class C Equity Shares issued at a price of INR 10 per share
3. 23,100 A Series Compulsorily Convertible Preference Shares (CCPS) issued at a price of INR 100 per share

to Rs. 1,24,80,00,000/- (Rupees One Hundred Twenty Four Crores Eighty Lakhs Only) comprising of :

## **Brigade Enterprises Limited:**

1. 51,000 Class A Equity Shares issued at a price of INR 10 per share
2. 6,23,01,000 Class B Equity Shares issued at a price of INR 10 per share

## **Reco Caspia Private Limited:**

1. 49,000 Class A Equity Shares issued at a price of INR 10 per share
2. 6,21,68,000 Class C Equity Shares issued at a price of INR 10 per share
3. 23,100 A Series Compulsorily Convertible Preference Shares (CCPS) issued at a price of INR 100 per share

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## CONVERTIBLE DEBENTURES:

Your Company had issued on the private placement basis the following securities on 27<sup>th</sup> January, 2017:

- 5,00,000 12% A11 Series Fully Convertible Debentures (FCD's) of Rs.100/- (Rupees Hundred Only) each aggregating to Rs.5,00,00,000/- (Rupees Five Crores Only) to Reco Caspia Private Limited.
- 5,00,000 12% A11 Series Optionally Convertible Debentures (OCD's) of Rs.100/- (Rupees Hundred Only) each aggregating to Rs.5,00,00,000/- (Rupees Five Crores Only) to Brigade Enterprises Limited.

During the year your Company allotted 2,97,06,000/- (Two Crore Ninety Seven lakhs Six Thousand) fully paid up 'Class B' Equity shares of Rs.10/- each on exercise of conversion of 29,70,600 (Twenty Nine Lakhs Seventy Thousand Six Hundred) Series A1 Optionally Convertible Debentures (OCD's) to 2,97,06,000/- (Two Crore Ninety Seven lakhs Six Thousand) and 29,70,600 (Twenty Nine Lakhs Seventy Thousand Six Hundred) Series A2 Optionally Convertible Debentures (OCD's) to 2,97,06,000/- (Two Crore Ninety Seven lakhs Six Thousand) by the debenture holder.

Further, During the year your Company allotted 2,96,94,000/- (Two Crore Ninety Six Lakhs Ninety Four Thousand) fully paid up 'Class C' Equity shares of Rs.10/- each on exercise of conversion of 29,69,400 (Twenty Nine Lakhs Sixty Nine Thousand Four Hundred) Series A1 Fully Convertible Debentures (FCD's) to 2,96,94,000/- (Two Crore Ninety Six Lakhs Ninety Four Thousand) and 29,69,400 (Twenty Nine Lakhs Sixty Nine Thousand Four Hundred) Series A2 Fully Convertible Debentures (FCD's) to 2,96,94,000/- (Two Crore Ninety Six Lakhs Ninety Four Thousand) by the debenture holder.

The impact of the above has resulted in the increase in the paid up share capital which has been detailed earlier.

## BOARD OF DIRECTORS:

The Board of Directors of the Company comprises of five Non-Executive Directors of which two are Independent Non-Executive Directors.

In accordance with the Articles of Association of the Company and the provisions of Section 152(6)(e) of the Companies Act, 2013, Mr. P. Om Prakash (DIN: 05358506), Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

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The Board of Directors at their meeting held on 18<sup>th</sup> January, 2017 have appointed Mr. Mohan Parvatikar (DIN: 00235941) and Ms. Meera Krishnakumar (DIN: 02179294) as an Additional Directors of the Company in the category of Independent Directors, with effect from 18<sup>th</sup> January, 2017. They hold office up to the date of ensuing Annual General Meeting.

The aforesaid Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

None of the Directors of the Company are disqualified under Section 164(2) of the Companies Act, 2013.

## BOARD MEETINGS:

During the year under review, the Board of Directors of the Company met 7 times on the following dates:

Dates on which Board Meetings were Held	Total Strength of the Board	No of Directors Present
5 <sup>th</sup> May, 2016	4 (Four)	4 (Four)
21 <sup>st</sup> July, 2016	4 (Four)	3 (Three)
27 <sup>th</sup> October, 2016	4 (Four)	4 (Four)
6 <sup>th</sup> December, 2016	4 (Four)	2 (Two)
18 <sup>th</sup> January, 2017	4 (Four)	4 (Four)
27 <sup>th</sup> January, 2017	6 (Six)	3 (Three)
30 <sup>th</sup> March, 2017	6 (Six)	3 (Three)

## ATTENDANCE OF DIRECTORS AT BOARD MEETINGS:

The Board of Directors of the Company have attended the Board Meetings as per the following details:

Name of the Director	Board meetings attended in the financial year 2016-2017	Attendance in the 1 <sup>st</sup> Annual General Meeting held on 29 <sup>th</sup> August, 2016
Mr. Om Prakash P	6 (Six)	Yes
Ms. Om Ahuja	4 (Four)	No
Mr. Dinesh Meel	7 (Seven)	Yes
Mr. Kishore Gotety	6 (Six)	No
Mr. Mohan Parvatikar	-	-

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Ms. Meera Krishnakumar	-	-
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## AUDIT COMMITTEE:

During the year, an Audit Committee has been constituted in accordance with provisions of Section 177 of the Companies Act, 2013.

The Audit Committee comprises of following members as on 31<sup>st</sup> March, 2017.

1. Mr. Mohan Parvatikar - Chairman
2. Mr. Dinesh Meel - Member
3. Mr. Om Prakash P - Member
4. Ms. Meera Krishnakumar - Member

## NOMINATION & REMUNERATION COMMITTEE:

During the year, a Nomination & Remuneration Committee has been constituted in accordance with the provisions of the Section 178 of the Companies Act, 2013.

The Nomination & Remuneration Committee comprising of following members as on 31<sup>st</sup> March, 2017

1. Ms. Meera Krishnakumar - Chairman
2. Mr. Dinesh Meel - Member
3. Mr. Om Prakash P - Member
4. Mr. Mohan Parvatikar - Member

## POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

The Directors of the Company are appointed by the members at annual general meetings in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

There is no remuneration paid to any directors and the directors are not entitled for any sitting fees for attending the meetings of the Board.

## DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors hereby confirms that:

- a) in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;

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- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual financial statements have been prepared on a going concern basis;
- e) there are proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## KEY MANAGERIAL PERSONNEL:

The provisions relating to Key Managerial Personnel in accordance with the provisions of Section 203 of the Companies Act, 2013 is not applicable for the financial year 2016-17.

## PARTICULARS OF EMPLOYEES:

Particulars pursuant to section 134 read with the Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013 is not applicable as the Company doesn't have any employees during the year under review.

## STATUTORY AUDITORS:

The members of the Company at the first Annual General Meeting held on 29<sup>th</sup> August, 2016 approved the appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (ICAI Firm Registration No.101049W/E300004), Statutory Auditors of the Company for a period of 5 years till the conclusion of Sixth Annual General Meeting, which is subject to annual ratification by the members of the Company in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

The resolution relating to annual ratification of statutory auditors appointment is part of the notice of the second Annual General Meeting. Members may ratify the appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company for the financial years 2017-18.



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There are no qualifications or adverse remarks in the Statutory Auditors' Report for the financial statements for the year ended 31<sup>st</sup> March, 2017 which require any explanation from the Board of Directors.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

There are no investments made or loan or guarantee given by the Company during the financial year 2016-17.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The related party transactions undertaken during the financial year 2016-17 as detailed in notes to accounts of the financial Statements. The related party transactions are carried at arm's length basis and in the normal course of business.

## **EXTRACT OF ANNUAL RETURN:**

In terms of Section 92 (3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the Company for the financial year 2016-17 in Form No. MGT-9 is appended as **Annexure-1** to this Report.

## **MATERIAL CHANGES AND COMMITMENTS:**

There were no material changes and commitments for the period under review, which significantly affects the financial position of the Company.

## **SIGNIFICANT OR MATERIAL ORDER:**

During the financial year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in the future.

## **INTERNAL FINANCIAL CONTROL SYSTEMS:**

The Company has adequate internal financial control systems in place with reference to the financial statements.

During the year under review, these controls were evaluated and no significant weakness was identified either in the design or operation of the controls.

# PERUNGUDI REAL ESTATES PRIVATE LIMITED

Regd. Off.: 110, Old SRP Tools, Rajiv Gandhi Salai  
OMR Road, Thiruvanniyur, Chennai - 600 041  
Ph: +91 -044 - 43587017  
CIN: U70200TN2015PTC102278

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## RISK MANAGEMENT:

The Board of Directors have been entrusted with the responsibility for establishing policies to monitor and evaluate risk management systems of the Company.

The business risks identified are reviewed and a detailed action plan to mitigate identified risks is drawn up and its implementation monitored. The key risks and mitigation actions will also be placed before the Board of Directors of the Company on a periodic basis.

## CORPORATE SOCIAL RESPONSIBILITY:

The provisions relating to Corporate Social Responsibility are not applicable to the Company as on 31<sup>st</sup> March, 2017.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

### A. CONSERVATION OF ENERGY:

The Company has limited scope for energy conservation. Emphasis is being laid on employing techniques which result in conservation of energy. At work place, emphasis is more on installation of energy efficient lights and using natural light to a maximum extent.

### B. TECHNOLOGY ABSORPTION: NIL

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, the Company has not earned any income in Foreign Currency but has incurred the expenditure as per the table detailed below:

Particulars	2016-17	2015-16
<b>Expenditure in Foreign Currency:</b>		
Architect and Consultancy Charges	2,10,12,108	1,73,53,333
Travelling Expenses	3,59,098	15,68,765
Interest on debentures	35,73,80,056	2,23,92,197
<b>Total</b>	<b>37,87,51,262</b>	<b>4,13,14,295</b>

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## HUMAN RESOURCES:

There are no employees on the rolls of the Company at present.

## ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation and sincere thanks to all the stakeholders for the continued support and patronage. We look forward to your support and co-operation as the Company is entering the next league of growth.

By Order of the Board  
For **Perungudi Real Estates Private Limited**

Place: Bangalore  
Date: 15<sup>th</sup> May, 2017

*Sd/-*  
Om Prakash P  
Director  
DIN: 05358506

*Sd/-*  
Dinesh Meel  
Director  
DIN: 06406897

**ANNEXURE-1**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2017**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

<b>I. REGISTRATION &amp; OTHER DETAILS:</b>		
1	CIN	U70200TN2015PTC102278
2	Registration Date	21st September, 2015
3	Name of the Company	Perungudi Real Estates Private Limited
4	Category/Sub-category of the Company	Company Limited by Shares Indian Non - Government Company
5	Address of the Registered office & contact details	110, Old SRP Tools, Rajiv Gandhi Salai, Omr Road, Thiruvanniyur, Chennai, Tamil Nadu-600041 Tel: +91 8041379200 Email: omprakash100@gmail.com
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if	NA

<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
	Real Estate	681	100%

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>				
Name and Address of the company	CIN/GLN	Holding /Subsidiary/Associate	% of Shares held	Applicable Section
Reco Caspia Pte Limited	201539690E	Holding Company	51%	2(46)
Brigade Enterprises Limited	L85110KA1995PLC019126	Associate Company	49%	2(6)

<b>IV. SHAREHOLDING PATTERN</b>									
(Equity share capital breakup as percentage of total equity)									
<b>(i) Category-wise Share Holding</b>									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF		-	-	0.00%		-	-	0.00%	0.00%
b) Central Govt		-	-	0.00%		-	-	0.00%	0.00%
c) State Govt(s)		-	-	0.00%		-	-	0.00%	0.00%
d) Bodies Corp.		-	-	0.00%		-	-	0.00%	0.00%
e) Banks / FI		-	-	0.00%		-	-	0.00%	0.00%
f) Any other		-	-	0.00%		-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>		-	-	<b>0.00%</b>		-	-	<b>0.00%</b>	<b>0.00%</b>
<b>(2) Foreign</b>									
a) NRI Individuals		-	-	0.00%		-	-	0.00%	0.00%
b) Other Individuals		-	-	0.00%		-	-	0.00%	0.00%
c) Bodies Corp.		-	-	0.00%		-	-	0.00%	0.00%
d) Any other		-	-	0.00%		-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	-	-	-	<b>0.00%</b>	-	-	-	<b>0.00%</b>	<b>0.00%</b>
<b>TOTAL (A)</b>	-	-	-	<b>0.00%</b>	-	-	-	<b>0.00%</b>	<b>50.00%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds		-	-	0.00%		-	-	0.00%	0.00%
b) Banks / FI		-	-	0.00%		-	-	0.00%	0.00%
c) Central Govt		-	-	0.00%		-	-	0.00%	0.00%
d) State Govt(s)		-	-	0.00%		-	-	0.00%	0.00%
e) Venture Capital Funds		-	-	0.00%		-	-	0.00%	0.00%
f) Insurance Companies		-	-	0.00%		-	-	0.00%	0.00%
g) FIs		-	-	0.00%		-	-	0.00%	0.00%
h) Foreign Venture Capital Funds		-	-	0.00%		-	-	0.00%	0.00%
i) Others (specify)		-	-	0.00%		-	-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	-	-	-	<b>0.00%</b>	-	-	-	<b>0.00%</b>	<b>0.00%</b>

<b>2. Non-Institutions</b>									
a) Bodies Corp.		29,40,000	29,40,000	51.00%		623,52,000	623,52,000	51.00%	2020.81%
i) Indian				0.00%				0.00%	0.00%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh								0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh								0.00%	0.00%
c) Others (specify)							-		
Directors				0.00%				0.00%	0.00%
Non Resident Indians				0.00%			-	0.00%	0.00%
Overseas Corporate Bodies		28,29,000	28,29,000	49.00%		622,17,000	622,17,000	49.00%	2099.26%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members				0.00%				0.00%	0.00%
Employees				0.00%	-	-	-	-	-
HUF				0.00%	-			0.00%	0.00%
Trusts				0.00%			-	0.01%	0.01%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	-	<b>57,69,000</b>	<b>57,69,000</b>	<b>100.00%</b>	-	<b>1245,69,000</b>	<b>1245,69,000</b>	<b>100.00%</b>	<b>2059.28%</b>
<b>Total Public (B)</b>	-	<b>57,69,000</b>	<b>57,69,000</b>	<b>100.00%</b>	-	<b>1245,69,000</b>	<b>1245,69,000</b>	<b>100.00%</b>	<b>2059.28%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>			-	0.00%				0.00%	0.00%
<b>Grand Total (A+B+C)</b>	-	<b>57,69,000</b>	<b>57,69,000</b>	<b>100.00%</b>	-	<b>1245,69,000</b>	<b>1245,69,000</b>	<b>100.00%</b>	<b>2059.28%</b>

**(ii) Shareholding of Promoter: NIL**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	-	0	0.00%	-	-	0.00%	-	0.00%
2	-	0	0.00%	-	-	0.00%	-	0.00%

**(iii) Change in Promoters' Shareholding (please specify, if there is no change) : NIL**

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	01.04.2016		-	0.00%		
	Changes during the year			-	0.00%		
	At the end of the year	31.03.2017		-	0.00%	-	0.00%

**(iv) Shareholding Pattern of top ten Shareholders**

(Other than Directors, Promoters and Holders of GDRs and ADRs)

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	<b>Brigade Enterprises Limited</b>						
	At the beginning of the year	01.04.2016		29,40,000	51.00%		
	Changes during the year	30.03.2017	Conversion	594,12,000	0.00%		
	At the end of the year	31.03.2017		623,52,000	51.00%	623,52,000	51.00%
2	<b>Reco Caspia Pte Ltd</b>						
	At the beginning of the year	01.04.2016		28,29,000	49.00%		
	Changes during the year	30.03.2017	Conversion	593,88,000	0.00%		
	At the end of the year	31.03.2017		622,17,000	49.00%	622,17,000	49.00%

**(v) Shareholding of Directors and Key Managerial Personnel: NIL**

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NIL

B. Remuneration to other Directors: NIL

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

**Perungudi Real Estates Private Limited**

**Statutory Audit for the year ended March 31, 2017**

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Perungudi Real Estates Private Limited

### **Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of Perungudi Real Estates Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the statement of 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.

### **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 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 thereunder. 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 the Ind 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, 2017, its loss 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 "Annexure 1" 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 the Statement of 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, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 2" to this report;
  - (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 the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the management – Refer Note 23 to the financial statements.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

  
per Adarsh Ranka

Partner

Membership Number: 209567

Place: Bengaluru

Date: May 15, 2017



**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PERUNGUDI REAL ESTATES PRIVATE LIMITED**

To the Members of Perungudi Real Estates Private Limited

**Report on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order")**

- (i)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - (b) All property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given by the management the title deeds of immovable properties included in capital work in progress are held in the name of the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii)
  - (a) Undisputed statutory dues including income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. The provisions relating to provident fund and employees' state insurance are not applicable to the Company.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, sales-tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to provident fund and employees' state insurance are not applicable to the Company.
  - (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, duty of customs, duty of excise or value added tax, which have not been deposited on account of any dispute.
- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks or debenture holders. The Company has no outstanding dues to financial institutions or government.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans (representing loans with a repayment period beyond 36 months) and hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares/ fully or partly convertible debentures during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.
- (xv) According to 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 as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

  
**per Adarsh Ranka**

Partner

Membership Number: 209567

Place: Bengaluru

Date: May 15, 2017



**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PERUNGUDI REAL ESTATES PRIVATE LIMITED**

**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 Perungudi Real Estates Private Limited

We have audited the internal financial controls over financial reporting of Perungudi Real Estates 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. 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 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 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 authorisations 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 **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

  
per **Adarsh Ranka**

Partner

Membership Number: 209567

Place: Bengaluru

Date: May 15, 2017



Perungudi Real Estates Private Limited

Balance sheet as at March 31, 2017

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	31-Mar-17	31-Mar-16
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Capital work in progress	3	68,239.17	59,153.53
Other non-current assets	4	297.96	58.92
<b>Sub total</b>		<b>68,537.13</b>	<b>59,212.45</b>
<b>Current Assets</b>			
<b>Financial assets</b>			
Cash and cash equivalents	5	139.98	1,729.67
Other current assets	4	11.00	
<b>Sub total</b>		<b>150.98</b>	<b>1,729.67</b>
<b>Total Assets</b>		<b>68,688.11</b>	<b>60,942.12</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	6	12,456.90	576.90
Other equity	7	11.02	29.16
<b>Total equity</b>		<b>12,467.92</b>	<b>606.06</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	8	48,528.80	59,408.80
Deferred tax liabilities (net)	10	4.42	4.42
<b>Sub total</b>		<b>48,533.22</b>	<b>59,413.22</b>
<b>Current Liabilities</b>			
<b>Financial liabilities</b>			
Trade payables	11	763.48	470.57
Other current financial liabilities	9	6,648.60	392.04
Other current liabilities	12	274.89	58.45
Liabilities for current tax (net)		-	1.78
<b>Sub total</b>		<b>7,686.97</b>	<b>922.84</b>
<b>Total equity and liabilities</b>		<b>68,688.11</b>	<b>60,942.12</b>

Summary of significant accounting policies

24

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

As per our report of even date

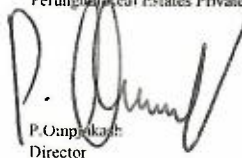
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm registration number: 101049W/E300004

  
Adarsh Ranka  
Partner  
Membership no.: 209567



Place: Bengaluru  
Date: May 15, 2017

For and on behalf of the board of directors of  
Perungudi Real Estates Private Limited

  
P. Omprakash  
Director

  
Dinesh Meel  
Director

Place: Bengaluru  
Date: May 15, 2017

Perungudi Real Estates Private Limited  
Statement of profit and loss for the year ended March 31, 2017  
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	31-Mar-17	31-Mar-16
<b>Income</b>			
Other income	13	9.79	68.85
<b>Total Income</b>		<b>9.79</b>	<b>68.85</b>
<b>Expenses</b>			
Finance costs	14	1.13	0.09
Other expenses	15	26.80	40.81
<b>Total expenses</b>		<b>27.93</b>	<b>40.90</b>
<b>Profit/(loss) before tax</b>		<b>(18.14)</b>	<b>27.95</b>
<b>Tax expense</b>			
Current tax		-	8.67
Deferred tax charge/(credit)		-	-
<b>Total tax expense</b>		<b>-</b>	<b>8.67</b>
<b>Profit/(loss) for the year</b>		<b>(18.14)</b>	<b>19.28</b>
<b>Other comprehensive income</b>			
Items that will not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plans		-	-
Income tax relating to above		-	-
<b>Other comprehensive income ('OCI')</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year (comprising Profit and OCI for the year)</b>		<b>(18.14)</b>	<b>19.28</b>

**Earnings per equity share**

[nominal value of share Rs.10 (March 31, 2016: : Rs.10)]

**Basic (Rs)**

Class A equity shares	-	-
Class B equity shares	(0.29)	2.86
Class C equity shares	(0.29)	2.85

**Diluted (Rs)**

Class A equity shares	-	-
Class B equity shares	(0.01)	0.02
Class C equity shares	(0.01)	0.02

Summary of significant accounting policies

2.1

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

As per our report of even date

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm registration number: 101049W/E300004

per Adarsh Ranka  
Partner  
Membership no.: 209567



Place: Bengaluru  
Date: May 15, 2017

For and on behalf of the board of directors of  
Perungudi Real Estates Private Limited

P. Omprakash  
Director

Dinesh Meel  
Director

Place: Bengaluru  
Date: May 15, 2017

Perungudi Real Estates Private Limited  
Cash flow statement for the year ended March 31, 2017  
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	31-Mar-17	31-Mar-16
<b>Operating activities</b>			
Profit/(loss) before tax		(18.14)	27.95
Adjustments to reconcile profit before tax to net cashflows:			
Finance costs		1.13	0.09
Interest income		(9.79)	(68.85)
Operating profit before working capital changes		(26.80)	(40.81)
Working capital adjustments			
Increase / (decrease) in trade payables		292.91	470.57
Increase / (decrease) in other financial liabilities		6,255.43	391.95
Increase / (decrease) in other liabilities		216.44	58.45
(Increase) / decrease in other assets		(250.04)	(58.92)
Direct taxes paid, net		(1.78)	(6.89)
<b>Net cash flow from operating activities (A)</b>		<b>6,486.16</b>	<b>814.35</b>
<b>Investing activities</b>			
Payments towards capital work in progress		(9,085.64)	(59,153.53)
Interest received		9.79	68.85
<b>Net cash flows used in investing activities (B)</b>		<b>(9,075.85)</b>	<b>(59,084.68)</b>
<b>Financing activities</b>			
Proceeds from issue of debentures		1,000.00	59,400.00
Proceeds from issue of preference shares		-	23.10
Proceeds from issue of equity shares		-	576.90
<b>Net cash flow from financing activities (C)</b>		<b>1,000.00</b>	<b>60,000.00</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>		<b>(1,589.69)</b>	<b>1,729.67</b>
Cash and cash equivalents at the beginning of the year		1,729.67	-
<b>Cash and cash equivalents at the end of the year</b>		<b>139.98</b>	<b>1,729.67</b>
<b>Components of cash and cash equivalents</b>			
Cash on hand		0.01	-
With banks:			
- on current accounts		139.97	1,729.67
<b>Total cash and cash equivalents as reported in Balance Sheet</b>	5	<b>139.98</b>	<b>1,729.67</b>

Summary of significant accounting policies

2.1

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

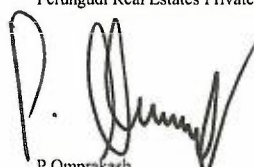
As per our report of even date


For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm registration number: 101049W/E300004

For and on behalf of the board of directors of  
Perungudi Real Estates Private Limited

  
per Ardash Ranka  
Partner  
Membership no.: 209567



  
P. Omprakash  
Director

  
Dinesh Meel  
Director

Place: Bengaluru  
Date: May 15, 2017

Place: Bengaluru  
Date: May 15, 2017



Perangudi Real Estates Private Limited  
Statement of changes in equity for the year ended March 31, 2017  
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

A. Equity share capital:

Class A Equity shares		Class B Equity shares		Class C Equity shares		Total	
No. of shares (in Lakhs)	Rs. in lakhs	No. of shares (in Lakhs)	Rs. in lakhs	No. of shares (in Lakhs)	Rs. in lakhs	No. of shares (in Lakhs)	Rs. in lakhs
Equity shares of Rs. 10 each issued, subscribed and fully paid up							
Changes during the period	1.00	10.00	28.89	288.90	27.80	278.00	57.69
As at 31 March 2016	1.00	10.00	28.89	288.90	27.80	278.00	57.69
Changes during the year	-	-	594.12	5,941.20	593.88	5,938.80	1,188.00
As at 31 March 2017	1.00	10.00	623.01	6,230.10	621.68	6,216.80	12,456.90

B. Other equity

Equity component of compound financial instruments	Reserves and surplus			Total
	Debt Redemption Reserve	General Reserve	Retained earnings	
Profit for the period	-	-	19.28	19.28
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	19.28	19.28
Equity component of Compulsorily Convertible Preference Shares	9.88	-	-	9.88
Transfer to Debt redemption reserve	-	19.37	(19.37)	-
As at 31 March 2016	9.88	19.37	(0.09)	29.16
Profit for the year	-	-	(18.14)	(18.14)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(18.14)	(18.14)
Transfer to General reserve on conversion of Optionally convertible debentures	-	(3.88)	3.88	-
As at 31 March 2017	9.88	15.49	(18.23)	11.02

Summary of significant accounting policies

2.1

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

As per our report of even date

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm registration number: 101049W/E300004

per Anarsh Ranka  
Partner  
Membership no.: 209567



Place: Bengaluru  
Date: May 15, 2017

For and on behalf of the board of directors of  
Perangudi Real Estates Private Limited

P. Omprakash  
Director

Dinesh Meel  
Director

Place: Bengaluru  
Date: May 15, 2017

**Perungudi Real Estates Private Limited**  
**Notes to Ind AS Financial Statements for the year ended March 31, 2017**  
**(All amounts in Indian Rupees Lakhs, except as otherwise stated)**

**1. Corporate information**

Perungudi Real Estates Private Limited ("PREPL" or "the Company") (bearing CIN number U70200TN2015PTC102278) was incorporated on September 21, 2015. The Company is engaged in the business of real estate development.

On March 03, 2016, the Company has executed Securities Subscription Agreement ("SSA") and Share Holders Agreement ("SHA") (collectively referred to as "Investment Agreements") with Reco Caspia Pte Limited ("RCPL") and Brigade Enterprises Limited ("BEL") (collectively referred to as "Investors") pursuant to which the Investors have invested in the Company for execution of real estate projects.

The financial statements were authorised for issue in accordance with a resolution of the Board of directors of the Company on May 15, 2017.

**2. Basis of preparation**

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2015. The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2016, the Company had prepared and presented its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Indian GAAP'). These financial statements for the year ended March 31, 2017 are the first financial statements, the Company has prepared and presented in accordance with Ind AS. Refer to note 24 for information on how the Company adopted Ind AS.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which 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.

**2.1 Summary of significant accounting policies**

**(a) Use of estimates**

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities. The effect of change in an accounting estimate is recognized prospectively.

**(b) 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
- All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The real estate development projects undertaken by the Company 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 upto 5 years.

Assets and liabilities, other than those discussed above, are classified as current to the extent they are expected to be realized/ are contractually repayable within 12 months from the Balance sheet date and as non-current, in other cases.

Deferred tax assets/liabilities are classified as non-current assets/liabilities.

**(c) Property, plant and equipment**

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in its Previous GAAP financial statements as deemed cost at the transition date, viz., April 1, 2015.

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.



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 recognized in profit or 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 its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition 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 de-recognized.

**(d) Depreciation**

Depreciation is calculated on written down value basis using the useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**(e) Intangible assets**

The Company has elected to continue with the carrying value for all of its intangible assets as recognized in its Previous GAAP financial statements as deemed cost at the transition date, viz., April 1, 2015.

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 are amortized on a straight line basis over a period of 3 years, which is estimated to be the useful life of the asset.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when asset is derecognized.

**(f) Impairment**

**A. Financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired and measures the required expected credit losses 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.

**B. Non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an 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 unit's (CGU) net selling price and its value in use. The 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. Where 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 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. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**(g) Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized/inventorised as part of the cost of the respective asset. All other borrowing costs are charged to statement of profit and loss.



(h) Land

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/ capital work in progress.

(i) 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.

*Interest income*

Interest income, including income arising from other financial instruments measured at amortised cost, is recognized using the effective interest rate method.

(j) Foreign currency translation

*Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

*Foreign currency transactions and balances*

- i) Initial recognition - Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- ii) Conversion - Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.
- iii) Exchange differences - The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expense in the period in which they arise.

(k) Retirement and other employee benefits

The provisions of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948, Payment of Gratuity Act, 1972 etc. are not applicable to the Company as the number of employees are less than the minimum required employees under the said acts..

(l) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

i. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

ii. Deferred income tax

Deferred income tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.



**(m) Provisions and contingent liabilities**

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. 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 recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within 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 it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

**(n) Cash dividend to equity holders of the Company**

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. 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.

**(o) Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents in the balance sheet comprise cash on hand and bank balances which are unrestricted for withdrawal and usage.

**(p) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

**(q) 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.

**i. Initial recognition and measurement of financial assets and liabilities**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**ii. Financial assets at amortized cost**

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets 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.

**iii. Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business 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.

**iv. Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

**v. Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- 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.

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 amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.



**Perungudi Real Estates Private Limited**  
**Notes to Ind AS Financial Statements for the year ended March 31, 2017**  
**(All amounts in Indian Rupees Lakhs, except as otherwise stated)**

vi. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.

vii. Financial liabilities at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest ('EIR') method.

Interest-bearing loans and borrowings are subsequently measured at amortized cost using EIR method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

viii. De-recognition 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 de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

ix. Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial instruments.

x. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

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 (unadjusted) market prices in active markets for identical assets or liabilities

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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.

2.2 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management makes judgement, estimates and assumptions which have the most significant effect on the amounts recognized in the financial statements. The Company based its judgements and assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.



**3 Capital work-in-progress ('CWIP')****Cost**

Additions during the period

As at March 31, 2016

Additions during the year

As at March 31, 2017

Investment property under construction	Total
59,153.53	59,153.53
59,153.53	59,153.53
9,085.64	9,085.64
68,239.17	68,239.17

Land Cost (including duties and taxes)

Interest expense

Site preparation costs

Architect and consultancy charges

Legal and professional fees

Project management fees

Land acquisition Fee

Cost of project materials

Travel and conveyance

**Total**

31-Mar-17	31-Mar-16
58,053.90	58,053.90
7,614.99	447.93
250.00	250.00
944.59	291.35
226.39	45.00
508.98	-
537.86	-
60.20	47.40
42.26	17.95
68,239.17	59,153.53

**Fair value disclosure**

The Company has determined that the fair value of the investment property under construction is not reliably measurable and expects the fair value of the property to be reliably measurable when construction is complete. Accordingly, the Company will measure and disclose the fair value of the investment property when the construction is complete and its fair value becomes reliably measurable.

**Capitalised borrowing costs**

The amount of borrowing costs capitalised during the year ended March 31, 2017 was Rs. 7167.06 lakhs (March 31, 2016 - Rs. 447.93 lakhs).

The rate used to determine the amount of borrowing costs eligible for capitalisation is the effective interest rate of the underlying borrowings.



**Perungudi Real Estates Private Limited**

**Notes to Ind AS Financial Statements for the year ended March 31, 2017**

**(All amounts in Indian Rupees Lakhs, except as otherwise stated)**

**4 Other assets**

	Non-current		Current	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Balances with statutory / government authorities	297.96	58.92	-	-
Advances recoverable in cash or kind	-	-	7.00	-
Prepaid Expenses	-	-	4.00	-
	<b>297.96</b>	<b>58.92</b>	<b>11.00</b>	<b>-</b>

**5 Cash and cash equivalents**

	31-Mar-17	31-Mar-16
Balances with banks.		
- On current accounts	139.97	1,729.67
Cash on hand	0.01	-
	<b>139.98</b>	<b>1,729.67</b>

**Break up of financial assets carried at amortised cost**

	31-Mar-17	31-Mar-16
Cash and cash equivalents	139.98	1,729.67
	<b>139.98</b>	<b>1,729.67</b>





6 Share capital

Authorised share capital	31-Mar-17		31-Mar-16	
	No. in lakhs	Rs.	No. in lakhs	Rs.
<b>Class A Equity shares of Rs.10 each:</b>				
Balance at the beginning of the year	1.00	10.00	-	-
Increase/(decrease) during the year	-	-	1.00	10.00
<b>Balance at the end of the year</b>	<b>1.00</b>	<b>10.00</b>	<b>1.00</b>	<b>10.00</b>
<b>Class B Equity shares of Rs.10 each:</b>				
Balance at the beginning of the year	28.89	288.90	-	-
Increase/(decrease) during the year	595.11	5,951.10	28.89	288.90
<b>Balance at the end of the year</b>	<b>624.00</b>	<b>6,240.00</b>	<b>28.89</b>	<b>288.90</b>
<b>Class C Equity shares of Rs.10 each:</b>				
Balance at the beginning of the year	27.80	278.00	-	-
Increase/(decrease) during the year	594.20	5,942.00	27.80	278.00
<b>Balance at the end of the year</b>	<b>622.00</b>	<b>6,220.00</b>	<b>27.80</b>	<b>278.00</b>
<b>Compulsorily Convertible Preference Shares (CCPS) of Rs. 10 each</b>				
Balance at the beginning of the year	0.23	2.31	-	-
Increase/(decrease) during the year	-	-	0.23	2.31
<b>Balance at the end of the year</b>	<b>0.23</b>	<b>2.31</b>	<b>0.23</b>	<b>2.31</b>

**Terms/ rights attached to equity shares**

The Company has 3 classes of equity shares having a par value of Rs.10 each per share. All rights, privileges and conditions are in accordance with the Investment Agreements.

**Class A equity shares**

Each holder of equity shares is entitled to one vote per share. No dividends and other distribution would be made to the share holders, except in case of liquidation of the Company. In the event of liquidation of the Company, any distributions to the shareholders shall be in the manner as set out in the investors agreements

**Class B equity shares**

The holder of equity shares do not have any voting rights. The Company declares and pays dividend in Indian rupees in accordance with the Investment Agreements. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting. In event of liquidation of the Company, the holders of equity shares would be entitled to receive distributions as prescribed under the Investment Agreements. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Class C equity shares**

The holder of equity shares do not have any voting rights. The Company declares and pays dividend in Indian rupees in accordance with the Investment Agreements. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting. In event of liquidation of the Company, the holders of equity shares would be entitled to receive distributions as prescribed under the Investment Agreements. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Terms of Compulsorily Convertible Preference Shares ('CCPS')**

CCPS have been issued at par carrying a cumulative dividend rate of 0.01% per annum. The holder of CCPS may at any time prior to the expiry of 20 years exercise the option to convert CCPS to Class C equity shares. 1 (one) CCPS would be converted to 10 (ten) Class C equity share. The options (including conversion) under the CCPS shall be exercised solely in accordance with the Investors Agreements and the Articles. The Company has offered to convert the instrument on March 31, 2024. The presentation of liability and equity portions of CCPS is explained in the summary of significant accounting policy.



Issued, subscribed and fully paid- up share capital

	31-Mar-17		31-Mar-16	
	No. in lakhs	Rs. In lakhs	No. in lakhs	Rs. In lakhs
<b>Class A Equity Shares of Rs. 10 each</b>				
Balance at the beginning of the year	1.00	10.00	-	-
Changes during the period	-	-	1.00	10.00
Balance at the end of the year	1.00	10.00	1.00	10.00
<b>Class B Equity Shares of Rs. 10 each</b>				
Balance at the beginning of the year	28.89	288.90	-	-
Changes during the period	594.12	5,941.20	28.89	288.90
Balance at the end of the year	623.01	6,230.10	28.89	288.90
<b>Class C Equity Shares of Rs. 10 each</b>				
Balance at the beginning of the year	27.80	278.00	-	-
Changes during the period	593.88	5,938.80	27.80	278.00
Balance at the end of the year	621.68	6,216.80	27.80	278.00
<b>Total share capital</b>				
Balance at the beginning of the year	57.69	576.90	-	-
Changes during the period	1,188.00	11,880.00	57.69	576.90
Balance at the end of the year	1,245.69	12,456.90	57.69	576.90

(a) Shares held by holding/ultimate holding company and/or their subsidiaries/associates:

	31-Mar-17		31-Mar-16	
	No. in lakhs	Rs. In lakhs	No. in lakhs	Rs. In lakhs
<b>Brigade Enterprises Limited</b>				
Class A Equity shares of Rs.10 each fully paid	0.51	5.10	0.51	5.10
Class B equity shares of Rs. 10 each fully paid	623.01	6,230.10	28.89	288.90

(b) Details of shareholders holding more than 5% shares in the Company:

	31-Mar-17		31-Mar-16	
	Nos. in lakhs	% holding	Nos. in lakhs	% holding
<b>Class A Equity shares of Rs.10 each fully paid</b>				
Reco Caspia Pte Ltd	0.49	49%	0.49	49%
Brigade Enterprises Limited	0.51	51%	0.51	51%
<b>Class B equity shares of Rs. 10 each fully paid</b>				
Brigade Enterprises Limited	623.01	100%	28.89	100%
<b>Class C equity shares of Rs. 10 each fully paid</b>				
Reco Caspia Pte Ltd	621.68	100%	27.80	100%
<b>CCPS of Rs. 100 each fully paid</b>				
Reco Caspia Pte Ltd	0.23	100%	0.23	100%

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

(c) Shares reserved for issue under options

For details of shares reserved for issue on conversion of debentures, refer note 8. Further, for details of equity shares reserved for issue on conversion of CCPS refer above.



## 7 Other equity

	31-Mar-17	31-Mar-16
<b>Equity component of compulsorily convertible debentures</b>		
Balance at the beginning of the year	9.88	-
Equity component of Compulsorily Convertible Preference Shares	-	9.88
<b>Balance at the end of the year</b>	<b>9.88</b>	<b>9.88</b>
<b>Debenture Redemption Reserve ('DRR')</b>		
Balance at the beginning of the year	19.37	-
Transfer from retained earnings to DRR	-	19.37
Transfer from DRR to General reserve on conversion of Optionally convertible debentures	(3.88)	-
	<b>15.49</b>	<b>19.37</b>
<b>General Reserve</b>		
Balance at the beginning of the year	-	-
Transfer from DRR to General reserve on conversion of Optionally convertible debentures	3.88	-
	<b>3.88</b>	<b>-</b>
<b>Retained earnings</b>		
Balance at the beginning of the year	(0.09)	-
Total comprehensive income for the year	(18.14)	19.28
Transfer from retained earnings to DRR	-	(19.37)
<b>Balance at the end of the year</b>	<b>(18.23)</b>	<b>(0.09)</b>
	<b>11.02</b>	<b>29.16</b>

Note: As per the provisions of the Companies (Share Capital and Debentures) Rules 2014, the Company has created a Debenture Redemption Reserve at twenty-five percent on pro-rata basis on outstanding OCD subject to the available profits of the Company.



8 Borrowings

	31-Mar-17	31-Mar-16
<b>Non-current Borrowings</b>		
<b>Debentures</b>		
23,755,200 (March 31, 2016- 29,694,000) 12% A series fully convertible debentures (FCD) of Rs.100 each (unsecured)	23,755.20	29,694.00
23,764,800 (March 31, 2016- 29,706,000) 12% A series optionally convertible debentures (OCD) of Rs.100 each (unsecured)	23,764.80	29,706.00
500,000 (March 31, 2016-Nil) 12% A11 series fully convertible debentures (FCD) of Rs.100 each (unsecured)	500.00	-
500,000 (March 31, 2016-Nil) 12% A11 series optionally convertible debentures (OCD) of Rs.100 each (unsecured)	500.00	-
<b>Liability Component of Compound Financial Instruments</b>		
Compulsorily Convertible Preference Shares	8.80	8.80
<b>Total Non -Current Borrowings</b>	<b>48,528.80</b>	<b>59,408.80</b>

- i) A series fully convertible debentures have been issued at par carrying an interest rate of 12% per annum. These are mandatorily convertible to into Class C equity shares at the expiry of 20 years from the date of its issue i.e. March 09, 2016, however the Company may at any time prior to the expiry of 20 years convert the A series fully convertible debentures into Class C equity shares. 1 (one) A Series fully convertible debenture would be converted to 10 (Ten) Class C equity shares. The conversion of the A series fully convertible debentures shall be solely in accordance with the Investment Agreements and the Articles. The Company has offered to convert and/or redeem the instrument on March 31, 2024.
- ii) A series optionally convertible debentures have been issued at par carrying an interest rate of 12% per annum. These are mandatorily convertible to into Class B equity shares at the expiry of 20 years from the date of its issue i.e. March 09, 2016, however the Company may at any time prior to the expiry of 20 years convert the A series optionally convertible debentures into Class B equity shares. 1 (one) A Series optionally convertible debenture would be converted to 10 (Ten) Class B equity shares. The conversion of the A series optionally convertible debentures shall be solely in accordance with the Investment Agreements and the Articles. The Company has offered to convert and/or redeem the instrument on March 31, 2024.
- iii) A11 series fully convertible debentures have been issued at par carrying an interest rate of 12% per annum. These are mandatorily convertible to into Class C equity shares at the expiry of 20 years from the date of its issue i.e. January 27, 2017, however the Company may at any time prior to the expiry of 20 years convert the A series fully convertible debentures into Class C equity shares. 1 (one) A11 Series fully convertible debenture would be converted to 10 (Ten) Class C equity shares. The conversion of the A 11 series fully convertible debentures shall be solely in accordance with the Investment Agreements and the Articles. The Company has offered to convert and/or redeem the instrument on March 31, 2024.
- iv) A11 series optionally convertible debentures have been issued at par carrying an interest rate of 12% per annum. These are mandatorily convertible to into Class B equity shares at the expiry of 20 years from the date of its issue i.e. January 27, 2017, however the Company may at any time prior to the expiry of 20 years convert the A11 series optionally convertible debentures into Class B equity shares. 1 (one) A Series optionally convertible debenture would be converted to 10 (Ten) Class B equity shares. The conversion of the A 11 series optionally convertible debentures shall be solely in accordance with the Investment Agreements and the Articles. The Company has offered to convert and/or redeem the instrument on March 31, 2024.



9 Other financial liabilities

	Non-current		Current	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Interest accrued but not due	-	-	6,648.60	392.04
	-	-	6,648.60	392.04

**Break up of financial liabilities carried at amortised cost**

	31-Mar-17	31-Mar-16
Borrowings (non-current)	48,528.80	59,408.80
Trade payable	763.48	470.57
Other financial liabilities (current)	6,648.60	392.04
	55,940.88	60,271.41

10 Deferred tax liabilities

*Deferred tax liabilities :*

Effect on deferred tax on accounting for compound financial instruments, net

31-Mar-17	31-Mar-16
4.42	4.42
4.42	4.42

11 Trade payables

Trade payable

- Total outstanding dues of micro enterprises and small enterprises

- Total outstanding dues of creditors other than micro enterprises and small enterprises

- Payable to related parties

- Payable to other parties

31-Mar-17	31-Mar-16
540.45	441.69
223.03	28.88
763.48	470.57

12 Other liabilities

Statutory dues payable

Current	
31-Mar-17	31-Mar-16
274.89	58.45
274.89	58.45



**13 Other income**

	31-Mar-17	31-Mar-16
Interest income on bank deposits	9.79	68.85
	<b>9.79</b>	<b>68.85</b>

**14 Finance costs**

	31-Mar-17	31-Mar-16
Interest on borrowings	7,168.19	448.02
	<b>7,168.19</b>	<b>448.02</b>
Less:-Interest capitalised to capital work in progress	(7,167.06)	(447.93)
	<b>1.13</b>	<b>0.09</b>

**15 Other expenses**

	31-Mar-17	31-Mar-16
Legal and professional fees	5.28	18.32
Payments to auditors (refer note below)	7.23	6.50
Repairs & Maintenance - others	0.08	-
Insurance	0.36	4.35
Rates and taxes	8.68	8.51
Travelling and conveyance	-	0.73
Communication costs	2.09	-
Printing and stationery	0.33	-
Miscellaneous expenses	2.75	2.40
	<b>26.80</b>	<b>40.81</b>

**Payment to auditors:****As auditor:**

	31-Mar-17	31-Mar-16
Audit fee	5.00	5.00
Other audit fees	2.00	1.50
Reimbursement of expenses (excluding service tax)	0.23	-
	<b>7.23</b>	<b>6.50</b>



## 16 Earnings per share

	31-Mar-17			31-Mar-16		
	Class A	Class B	Class C	Class A	Class B	Class C
(i) Nominal value of equity share	10.00	10.00	10.00	10.00	10.00	10.00
(ii) Weighted average number of equity shares outstanding (Nos. in lakhs):						
Basic(A)	1.00	32.15	31.06	0.12	3.44	3.31
Add: Potential equity shares upon conversion of:						
- OCD		2,426.48			389.41	
- FCD			2,425.52			389.25
- CCPS			2.31			0.30
Diluted(B)	1.00	2,458.63	2,458.89	0.12	392.85	392.87
(iii) Profit considered for the calculation earnings per share						
Profit/(loss) for Basic EPS (C)	-	(9.25)	(8.89)	-	9.83	9.45
Add: Effect of dilution:						
- OCD						
- FCD						
- CCPS						
Profit for Diluted EPS (D)	-	(9.25)	(8.89)	-	9.83	9.45
(iv) Earnings Per Share						
Basic (C/A)	-	(0.29)	(0.29)	-	2.86	2.85
Diluted (D/B)	-	(0.01)	(0.01)	-	0.02	0.02

## Note:

In accordance with the Indian Accounting Standard (Ind AS) - 33 Earnings Per Share, specified under Section 133 of the Companies Act 2013, read with relevant rules issued thereunder, there are certain class of securities which are anti dilutive and hence the impact of those securities has been ignored in the computation of diluted EPS.

## 17 Commitments and contingencies

For commitments under Investors Agreements to equity, preference and debenture holders, refer note 6 and note 8.



18 Related Party disclosures

I. Names of related parties and related party relationship

Holding Company  
Enterprise having significant influence over the Company  
Fellow Subsidiary

Brigade Enterprises Limited  
Reco Caspia Pte Ltd  
Brigade Properties Private Limited

II. Transactions with related parties :

Description	Name of related party	Nature of the relationship	31-Mar-17	31-Mar-16
Allotment of Class A equity shares	Brigade Enterprises Limited	Holding Company		4.10
	Reco Caspia Pte Ltd	Enterprise having significant influence over the Company		4.90
Allotment of Class B equity shares	Brigade Enterprises Limited	Holding Company	5,941.20	288.90
Allotment of Class C equity shares	Reco Caspia Pte Ltd	Enterprise having significant influence over the Company	5,938.80	278.00
Allotment of Compulsorily Convertible Preference Shares	Reco Caspia Pte Ltd	Enterprise having significant influence over the Company		23.10
Allotment of Optionally Convertible Debentures ('OCD')	Brigade Enterprises Limited	Holding Company	500.00	29,706.00
Allotment of Fully Convertible Debentures ('FCD')	Reco Caspia Pte Ltd	Enterprise having significant influence over the Company	500.00	29,694.00
Conversion of OCD	Brigade Enterprises Limited	Holding Company	5,941.20	-
Conversion of FCD	Reco Caspia Pte Ltd	Enterprise having significant influence over the Company	5,938.80	-
Interest on borrowings	Brigade Enterprises Limited	Holding Company	3,575.24	224.01
	Reco Caspia Pte Ltd	Enterprise having significant influence over the Company	3,592.95	224.01
Expenses reimbursed by the Company	Brigade Enterprises Limited	Holding Company	0.71	-
Expenses reimbursed by the Company	Brigade Properties Private Limited	Fellow Subsidiary	198.51	385.76
Land Acquisition fee	Brigade Enterprises Limited	Holding Company	537.86	-
Project management fees	Brigade Enterprises Limited	Holding Company	508.98	-

III. Balances with related parties :

Description	Name of related party	Nature of the relationship	31-Mar-17	31-Mar-16
Debentures outstanding - OCD	Brigade Enterprises Limited	Holding Company	24,264.80	29,706.00
Debentures outstanding - FCD	Reco Caspia Pte Ltd	Enterprise having significant influence over the Company	24,255.20	29,694.00
Equity component of CCPS	Reco Caspia Pte Ltd	Enterprise having significant influence over the Company	9.88	9.88
Debt component of CCPS	Reco Caspia Pte Ltd	Enterprise having significant influence over the Company	8.80	8.80
Interest accrued but not due	Brigade Enterprises Limited	Holding Company	3,420.54	201.66
	Reco Caspia Pte Ltd	Enterprise having significant influence over the Company	3,228.06	190.38
Trade Payable	Brigade Properties Private Limited	Fellow subsidiary	9.51	441.69
	Brigade Enterprises Limited	Holding Company	530.94	-





**19 Financial risk management**

The Company's principal financial liabilities, other than derivatives, comprise 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 loans, trade, other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks and ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**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.

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company is not exposed to the risk of changes in market interest rate since the Company does not have borrowings with floating interest rates. Therefore the changes in the interest rates will not have any impact on future cash flows.

The Company is affected by the price volatility of certain commodities/ real estate. Its operating activities require the ongoing development of real estate. The Company's management has developed and enacted a risk management strategy regarding commodity/ real estate price risk and its mitigation. The Company is subject to the price risk variables, which are expected to vary in line with the prevailing market conditions.

**ii. Credit risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from financial assets.

Other financial assets like bank balances are mostly with employees, government bodies and banks and hence, the Company does not expect any credit risk with respect to these financial assets.

With respect to other financial assets, the Company has constituted teams to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss. At the balance sheet date, there was no significant concentration of credit risk and exposure thereon.

**iii. Liquidity Risk**

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings.

The summary of the maturity profile of the Company's financial liabilities is as below:

	Maturity period	31-Mar-17	31-Mar-16
<b>Financial liabilities - Current</b>			
Trade payables	Within 1 year	-	-
Other financial liabilities	Within 1 year	6,648.60	392.04
<b>Financial liabilities - Non Current</b>			
Borrowings	Between 5-10 years	48,528.80	59,408.80



## 20 Fair values

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The Company does not have any financial assets/liabilities requiring fair valuation.

The management assessed that the carrying values of cash and cash equivalents, trade payables, borrowings and other financial assets and liabilities approximate their fair values largely due to the short-term maturities and are repriced frequently.

## 21 Capital management

The Company's objectives of capital management is to maximize the shareholder value. In order to maintain or adjust the capital structure, the Company may adjust the return to shareholders, issue/ buyback shares or sell assets to reduce debt. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt as below.

- Equity includes equity share capital and all other equity components attributable to the equity holders

- Net Debt includes borrowings (long-term and short-term), trade payables and other financial liabilities, less cash and cash equivalents

	31-Mar-17	31-Mar-16
Borrowings	48,528.80	59,408.80
Trade payables	-	-
Other financial liabilities (current and non-current)	6,648.60	392.04
Less: Cash and cash equivalents	(139.98)	(1,729.67)
<b>Net Debt (A)</b>	<b>55,037.42</b>	<b>58,071.17</b>
Equity share capital	12,456.90	576.90
Other equity	11.02	29.16
<b>Equity (B)</b>	<b>12,467.92</b>	<b>606.06</b>
<b>Equity plus net debt (C = A + B)</b>	<b>67,505.34</b>	<b>58,677.23</b>
<b>Gearing ratio (D = A / C)</b>	<b>81.53%</b>	<b>98.97%</b>

In order to achieve the objective of maximize shareholders value, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. Any significant breach in meeting the financial covenants would allow the bank to call borrowings. There have been no breaches in the financial covenants of above-mentioned interest-bearing borrowing.

No changes were made in the objectives, policies or processes for managing capital during the current and previous years.

## 22 Segment Reporting

The Company's business activity falls within a single reportable segment, i.e. real estate development. Hence, there are no additional disclosures to be provided under Ind-AS 108 - Segment information with respect to the single reportable segment, other than those already provided in financial statements.

The Company is domiciled in India. The Company does not have any revenue from operations and all the non-current assets of the Company are located in India.

## 23 Specified Bank Notes

The details of Specified Bank Notes ('SBN') and Other Denomination Notes ('ODN') held and transacted during the period 08-Nov-16 to 30-Dec-16 are as provided in the table below.

	SBN	ODN	Total
Closing cash in hand as on November 8, 2016	0.11	0.21	0.32
(+) Cash withdrawal	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in banks	0.11	-	0.11
Closing cash in hand as on December 30, 2016	-	0.21	0.21



**24 First Time Adoption of Ind-As**

These financial statements, for the year ended 31 March 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS.

(i) The Company has prepared a reconciliation of the net profit for the previous year ended March 31, 2016 under the Previous GAAP with the total comprehensive income as reported in these financial statements under Ind AS, which is presented below:

Particulars	Year ended March 31, 2016
Net profit as per previous GAAP	19.38
Accounting for compound financial instruments, net	(0.09)
Net profit as per Ind AS (A)	19.29
Other comprehensive income	-
Total (B)	-
Total comprehensive income (A+B)	19.29

(ii) The Company has also prepared a reconciliation of equity as at March 31, 2016 under the Previous GAAP with the equity as reported in these financial statements under Ind AS, which is presented below:

Particulars	As at March 31, 2016
Equity as per previous GAAP	619.37
Accounting for compound financial instruments (net of tax)	(13.31)
Equity as per Ind-AS	606.06

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

(iv) The figures of the previous periods have been regrouped/reclassified, where necessary, to conform with the current year's classification.

**25 Standards issued but not yet effective**

The amendment to standard issued up to the date of issuance of the Company's financial statements, but not yet effective as of the date of the Company's financial statements is disclosed below. The Company intends to adopt the amendment to standard when it becomes effective.

*Amendments to Ind AS 102 Classification and Measurement of Share-based*

The amendments to Ind AS 102 applies prospectively for annual periods beginning on or after 1 April 2017. As per the amendments, in estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions should follow the same approach as for equity-settled share-based payments. Further, where tax law or regulation requires an entity to withhold a specified number of equity instruments and the share-based payment arrangement has a 'net settlement feature', such an arrangement should be classified as equity-settled in its entirety. The Company does not anticipate that the application of the amendments in the future will have a significant impact on the Company's financial statements as the Company does not have any cash-settled share-based payment arrangements or any withholding tax arrangements with tax authorities in relation to such share-based payments.

*Amendments to Ind AS 7 Disclosure Initiative*

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments apply prospectively for annual periods beginning on or after 1 April 2017. The Company does not anticipate that the application of these amendments will have a material impact on the Company's financial statements.



**Perungudi Real Estates Private Limited**

**Notes to Ind AS Financial Statements for the year ended March 31, 2017**

**(All amounts in Indian Rupees Lakhs, except as otherwise stated)**

26 The figures of previous year have been regrouped/reclassified, wherever necessary, to conform to the current year's classification.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

  
R. Adarsh Ranka

Partner

Membership no.: 209567




Place: Bengaluru

Date: May 15, 2017

For and on behalf of the board of directors of

Perungudi Real Estates Private Limited

  
P. Omprakash

Director



Dinesh Meel

Director

Place: Bengaluru

Date: May 15, 2017