



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of GMR Real Estate Private Limited

### **Report on the Audit of the Standalone Ind AS Financial Statements**

#### **Opinion**

We have audited the standalone Ind AS financial statements of GMR Real Estate Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under sec 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, its profit, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

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

#### **Information Other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone



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financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read these reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Responsibility of Management for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income / loss, changes in equity and cash flows 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. 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an



auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure I", 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 accounts 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 standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
  - (e) On the basis of written representations received from the directors as on 31 March 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) As the company is a private limited company, not having turnover more than rupees fifty crores as per last audited financial statements and which does not have aggregate borrowings exceeding twenty five crore rupees from any bank or financial institution or anybody corporate at any point of time during the financial year, the reporting on Internal financial control u/s 143(3)(i) of Companies act, 2013 is not applicable.
  - (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 is no provision required for material foreseeable losses.





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

**For B. Purushottam & Co.**  
**Chartered Accountants**  
(Firm's Registration No. 002808S)



*B. Mahidhar*

**B Mahidhar Krrishna**  
**Partner**  
(Membership No. 243632)  
UDIN:20243632AAAAAJ7514

Place: Chennai  
Date: 29-09-2020

**Annexure I to the Independent Auditors' Report on the financial statements for the year ended 31 March 2020**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) The company does not have fixed assets / property, plant and equipment as at the balance sheet date. Accordingly, paragraph 3 (i) of the Order are not applicable to the Company.
- (ii) The Company does not have inventory as at the balance sheet date. Accordingly, paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to information and explanations given to us, the Company had 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 Act. Accordingly, paragraph 3 (iii) of the Order is not applicable to the Company.
- (iv) According to information and explanations given to us, the Company has not granted any loans nor made any investments nor provided any guarantee or security to the persons or body corporate as stated in 185 and 186 of the Act. Accordingly, paragraph 3 (iv) of the Order is not applicable to the Company.
- (v) According to information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 and the relevant rules framed thereunder are not applicable to the Company.
- (vi) The Company is not required to maintain cost accounts under section 148(1) of the Act. Accordingly, paragraph 3(vi) of the Order is not Applicable to the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues applicable to it with the appropriate authorities and there were no undisputed amounts payable which were outstanding as on 31 March 2020 for a period of more than six months from the date on which they became due.



- (b) 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, value added tax outstanding on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not taken any loans or borrowings from any financial institutions, banks or Government, nor has it issued any debentures. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.
- (ix) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company being a Private Limited Company, the limits for payment of managerial remuneration specified in sec. 197 and Schedule V are not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3 (xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records, the Company is in compliance with sec. 188 of the Act, where applicable (section 177 does not apply). The details of such related party transactions have been disclosed in the standalone financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.



- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

**For B. Purushottam & Co.**  
**Chartered Accountants**  
(Firm's Registration No. 002808S)



**B Mahidhar Krrishna**  
**Partner**  
(Membership No. 243632)  
UDIN:20243632AAAAAJ7514

Place: Chennai  
Date: 29-09-2020



**Balance Sheet as at March 31, 2020**

( Amount in Rs.)

Particulars	Notes	As at March 31, 2020
<b>I. ASSETS</b>		
<b>Non Current assets</b>		
Financial Assets		
(i) Loans	3	99,00,000
<b>Current Assets</b>		
Financial Assets		
(i) Cash and cash equivalents	4	3,31,155
(ii) Others	5	1,25,228
<b>TOTAL ASSETS</b>		<b>1,03,56,383</b>
<b>II. EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity Share Capital	6(a)	1,00,00,000
(b) Other Equity		
(i) Retained earnings	6(b)	2,72,416
<b>TOTAL EQUITY</b>		<b>1,02,72,416</b>
<b>LIABILITIES</b>		
(1) <b>Current liabilities</b>		
Financial Liabilities		
(i) Other financial liabilities	7	30,000
Current Tax Liabilities (Net)	8	53,967
<b>TOTAL LIABILITIES</b>		<b>83,967</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,03,56,383</b>
Summary of significant accounting policies	1-2	

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

As per our report of even date attached

**For B. Purushottam & Co.**

Chartered Accountants

Firm Registration Number - 0028085

*B. Mahidhar Krrishna*

**B. Mahidhar Krrishna**

Partner

Membership No. 243632



**For and on behalf of the Board of Directors of  
GMR Real Estate Private Limited**

*K. Sreemannarayana*

**K. Sreemannarayana**

Director

DIN: 01876402

*Ravi Majeti*

**Ravi Majeti**

Director

DIN: 07106220

Place : New Delhi

Date : 29th September'2020



## Statement of profit and loss for the period ended March 31, 2020

		( Amount in Rs.)	
Particular	Notes	As on March 31, 2020	
I Revenue from operations			
II Other income	9	4,17,472	
III Total Income (I + II)		4,17,472	
IV Expenses			
Finance costs	10	6,077	
Other expenses	11	43,265	
Total expenses (IV)		49,342	
V Profit/(Loss) before Tax (III-IV)		3,68,130	
VI Tax expense:			
Current tax		95,714	
Deferred Tax			
VII Profit/(Loss) for the period (V - VI)		2,72,416	
VIII Other comprehensive income			
Items that will not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses)		-	
Tax on above		-	
Other comprehensive income for the year, net of tax		-	
Total comprehensive income for the period, net of tax (VII+VIII)		2,72,416	
Earnings per equity share: ( Face value Rs. 10/- per share)			
Basic & Diluted ( Rs.)	12	0.27	
Summary of significant accounting policies	1-2		

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

As per our report of even date attached

For B. Purushottam & Co.

Chartered Accountants

Firm Registration Number - 0028085

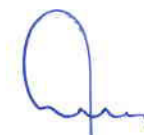
For and on behalf of the Board of Directors of

GMR Real Estate Private Limited

  
**B. Mahidhar Krrishna**  
 Partner  
 Membership No. 243632



  
**K. Sreemannarayana**  
 Director  
 DIN: 01876402

  
**Ravi Majeti**  
 Director  
 DIN: 07106220

Place : New Delhi  
 Date : 29th September'2020



**GMR Real Estate Private Limited**

CIN : U70100DL2019PTC344814

Ground Floor, New Udaan Bhawan, Opp. Terminal-3, IGI Airport, New Delhi- 110037

**Cash flow statetement for the period ended March 31, 2020**

( Amount in Rs.)

Particular	March 31, 2020
<b>Cash flow from operating activities</b>	
Profit before tax	3,68,130
<b>Adjustment to reconcile profit before tax to net cash flows</b>	
Fair value of Financial assets and Liabilities	-
Interest Expenses	-
<b>Operating profit/ (loss) before working capital changes</b>	<b>3,68,130</b>
<b>Movement in working capital:</b>	
(Increase)/Decrease in financial assets loans	(99,00,000)
(Increase)/Decrease in other current financial assets	(1,25,228)
Increase/(Decrease) in other current financial liability	30,000
Increase/(Decrease) in other current tax liability	53,967
<b>Cash generated from/ (used in) operations</b>	<b>(95,73,131)</b>
Direct taxes paid (net of refunds)	(95,714)
<b>Net cash flow from operating activities (A)</b>	<b>(96,68,845)</b>
<b>Cash flow from investing activities</b>	
Sale / Purchase of Investments/ Fixed Assets	-
<b>Net Cash flow used in investing activities (B)</b>	
<b>Cash flow from Financing Activities</b>	
Interest paid	-
Share proceeds from Issue of capital	1,00,00,000
<b>Net Cash flow used in financing activities (C)</b>	<b>1,00,00,000</b>
<b>Net Increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>3,31,155</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>3,31,155</b>
<b>Cash and cash equivalents at the end of the year</b>	
<b>Components of cash and cash equivalents</b>	
<b>Balance with banks</b>	
- on current accounts	3,31,155
- on deposit accounts	-
- Cash on hand	-
<b>Total cash and cash equivalents</b>	<b>3,31,155</b>

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

As per our report of even date attached  
**For B. Purushottam & Co.**  
Chartered Accountants  
**Firm Registration Number - 0028085**

**For and on behalf of the Board of Directors of**  
**GMR Real Estate Private Limited**

**B. Mahidhar Krrishna**  
Partner  
**Membership No. 243632**



**K. Sreemannarayana**  
Director  
**DIN: 01876402**

**Ravi Majeti**  
Director  
**DIN: 07106220**

Place : New Delhi  
Date : 29th September'2020



**Statement of changes in equity for the period ended March 31, 2020**

(Amount in Rs.)

**A) Equity Share Capital**

Particulars	March 31, 2020
Opening Balance	-
Shares capital issued during the year	1,00,00,000
Closing Balance	<b>1,00,00,000</b>

**B) Other Equity**

	Retained earnings	Equity Component of Compound Financial Instruments	Other comprehensive income Remeasurements Gain / Losses, net of tax	Total
Profit for the year	2,72,416	-	-	2,72,416
Other comprehensive income Equity component of OCDs	-	-	-	-
<b>Balance as at March 31, 2020</b>	<b>2,72,416</b>	<b>-</b>	<b>-</b>	<b>2,72,416</b>

Accompanying notes form integral part of the financial statement.

As per our report of even date attached

**For B. Purushottam & Co.**

Chartered Accountants

**Firm Registration Number - 002808S**

*B. Mahidhar Krrishna*

**B. Mahidhar Krrishna**

Partner

**Membership No. 243632**

Place : New Delhi

Date : 29th September'2020

For and on behalf of the Board of Directors of  
**GMR Real Estate Private Limited**

*K. Sreemannarayana*

**K. Sreemannarayana**

Director

**DIN: 01876402**

*Ravi Maleti*

**Ravi Maleti**

Director

**DIN: 07106220**



# GMR Real Estate Private Limited

CIN: U70100DL2019PTC344814

Ground Floor, New Udaan Bhawan, Opp. Terminal-3, IGI Airport, New Delhi- 110037

## Statement on Significant Accounting Policies and Notes to Accounts

### Note 1: Statement on Significant Accounting Policies and Notes to Accounts

#### 1. Corporate Information

GMR Real Estate Private Limited domiciled in India and incorporated under the provisions of the Companies Act, 2013. The company is in the business as proprietors, developers, Builders, Managers, Operators, hires and dealers of all kinds of immovable properties, including but not limited to that of lands, buildings, farms, cinemas, malls, office complexes, hotels and cold stores, warehouses, including data warehouses and to carry on all incidental or allied activities and business as are usually carried on by proprietors, builders, manages operators, Hires and dealers. The company is a subsidiary company of GMR Enterprises Private Limited is the ultimate holding company. Company was incorporated on January 22, 2019 and company started business from July 18, 2019.

#### 2. Significant Accounting Policies

##### 2.1. Statement of Compliance and Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act.

The Company started business from July 17, 2019 hence financial statements for the year ended 31 March 2019 and opening balance balance sheet as on 01<sup>st</sup> April'2018 were not applicable .

These are the Company's first financial statements prepared in accordance with Indian Accounting Standards (IndAS). The Company has applied Ind AS 101, First-time Adoption of Indian Accounting Standards for transition from Previous GAAP to Ind AS.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

The financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Company's functional currency.





# GMR Real Estate Private Limited

CIN: U70100DL2019PTC344814

Ground Floor, New Udaan Bhawan, Opp. Terminal-3, IGI Airport, New Delhi- 110037

## Statement on Significant Accounting Policies and Notes to Accounts

### 2.2. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



# GMR Real Estate Private Limited

CIN: U70100DL2019PTC344814

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## Statement on Significant Accounting Policies and Notes to Accounts

### 2.3. Revenue from Contract with Customers

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, regardless of when the payment is being made. 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 is recognised on a time proportion basis taking into account the amount of outstanding and the rate applicable

Interest income is recognised using the effective interest rate (EIR) method. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the instrument.

#### Dividend Income

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

#### Fees and commission

Fee based income are recognised when they become measurable and when it is probable to expect their ultimate collection.

Commission and brokerage income earned for the services rendered are recognised as and when they are due.

### 2.4. Taxes on income

#### Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.



# GMR Real Estate Private Limited

CIN: U70100DL2019PTC344814

Ground Floor, New Udaan Bhawan, Opp. Terminal-3, IGI Airport, New Delhi- 110037

## Statement on Significant Accounting Policies and Notes to Accounts

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred income tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are recognised 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 utilised

## **2.5. Property, Plant and equipment**

Company does not have any assets

## **2.6. Finance Costs**

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed:

- As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.



# GMR Real Estate Private Limited

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## Statement on Significant Accounting Policies and Notes to Accounts

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method.

### 2.7. Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognised for that asset or cash-generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.



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## **Statement on Significant Accounting Policies and Notes to Accounts**

### **2.8. Provisions and contingent liabilities**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised 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 recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

Provisions and contingent liability are reviewed at each balance sheet.

### **2.9. Retirement and other employee benefits**

Company does not have any employees on its rolls





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## Statement on Significant Accounting Policies and Notes to Accounts

### 2.10. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, 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 and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Investment in equity instruments issued by subsidiaries and joint ventures are measured at cost less impairment.

Investment in preference shares/debentures of the subsidiaries are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares/debentures not meeting the aforesaid conditions are classified as debt instruments at amortised cost.

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

#### Financial assets

##### i. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model 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.



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## Statement on Significant Accounting Policies and Notes to Accounts

### ii. Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these 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. The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the shorter maturity of these instruments.

### Impairment of financial assets

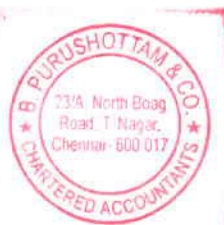
Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the statement of profit of loss.

The company recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Impairment loss on investments. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

### iii. De-recognition of financial assets

The Company de-recognises a financial asset only 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.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.



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## **Statement on Significant Accounting Policies and Notes to Accounts**

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amounts measured at the date of de-recognition and the consideration received is recognised in statement of profit or loss.

### **Trade Receivables and Loans:**

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the Effective Interest Rate ("EIR") method net of any Expected Credit Losses ("ECL"). The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

### **Financial liabilities and equity instruments**

#### **i. Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### **ii. Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

#### **iii. Financial Liabilities**

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

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.



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## Statement on Significant Accounting Policies and Notes to Accounts

### iv. Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

### v. De-recognition

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

### Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### 2.11. Cash and cash equivalents

Cash and cash equivalent in the standalone balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### 2.12. Statement of Cash Flow

The Statement of Cash Flow is reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Statement of Cash flows from operating, investing and financing activities of the Company are segregated.

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



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### **Statement on Significant Accounting Policies and Notes to Accounts**

#### **2.13. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split 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 the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.





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**Notes to financial statements for the period ended March 31, 2020**

( Amount in Rs.)

Particulars	As on March 31, 2020
<b>Note 3 - Loans</b>	
Unsecured Loan to Group Company	99,00,000
Unsecured and considered good	
	<b>99,00,000</b>
<b>Note 4 - Cash and Cash Equivalents</b>	
<b>Balance with Banks</b>	
Balances with banks	3,31,155
Deposits with original maturity of less than 3 months	-
<b>Cash on hand</b>	-
<b>Total</b>	<b>3,31,155</b>
<b>Note 5 - Other financial assets</b>	
<b>Carried at amortised cost</b>	
<b>Current</b>	
Interest accrued but not due	1,25,228
<b>Total</b>	<b>1,25,228</b>
<b>Break up of financial assets carried at amortized cost</b>	
	<b>31-Mar-20</b>
<b>Non - current</b>	
Loans ( Refer Note no. 3)	99,00,000
Other financial assets ( Refer Note No.5)	1,25,228
<b>Total</b>	<b>1,00,25,228</b>



**Notes to financial statements for the period ended March 31, 2020**

**6(a) Equity Share Capital:**

( Amount in Rs.)

Particulars	March 31, 2020	
	No. of Shares	Amount in Rs.
<b>Authorized:</b>		
Equity shares of Rs.10/- each	10,00,000	1,00,00,000
		1,00,00,000
<b>Issued, subscribed and fully paid up:</b>		
Equity shares of Rs.10 /- each		
At the beginning of the reporting period		
Issued during the reporting period	10,00,000	1,00,00,000
Bought back during the reporting period		
Outstanding at the end of the year	10,00,000	1,00,00,000

**a) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the Year**

Particulars	March 31, 2020	
	No of Shares	Amount in Rs.
Opening Balance		-
Shares Issued during the year	10,00,000	1,00,00,000
Shares bought back during the year	-	-
Closing Balance	10,00,000	1,00,00,000

**b) Terms/Rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of Rs.10 per share. Every member holding equity shares therein shall have voting rights in proportion to the member's share of the paid up equity share capital. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

**c) Details of Equity Share Holders more than 5% shares in the Company**

Name of the Share Holders	March 31, 2020	
	No. of Shares	% of Holding
a.GMR Enterprises Pvt Ltd along with its nominees	10,00,000	100.000%

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

**6(b) Other Equity**

Particulars	March 31, 2020
<b>(A) Retained Earnings</b>	
Opening Balance	-
Add/(Less) : Profit / (Loss) for the year	2,72,416
Closing Balance	2,72,416
<b>Total</b>	2,72,416

**7 Other Financial Liabilities**

i) Audit Fees Payable	30,000
<b>Total</b>	30,000

**8 Current tax liabilities (net)**

i) Provision (net )	53,967
<b>Total</b>	53,967



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**Notes to financial statements for the period ended March 31, 2020**

( Amount in Rs.)

Particulars	As on March 31, 2020
<b>Note 9 - Other Income</b>	
<b>Interest income on Financial assets carried at amortised cost</b>	
Interest on Loans	1,39,142
Interest on Fixed Deposits	2,78,330
<b>Total</b>	<b>4,17,472</b>
<b>Note 10 - Finance cost</b>	
Interest on:	
Loans	-
Other Finance Charges	6,077
<b>Total</b>	<b>6,077</b>
<b>Note 11 - Other expenses</b>	
Certification Charges	2,065
Rates & Taxes - ROC fee	11,200
Audit Fees	30,000
<b>Total</b>	<b>43,265</b>
<b>Payment to auditor</b>	
<b>As auditor:</b>	
Audit fee	30,000



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Notes to financial statements for the period ended March 31, 2020

(Amount in Rs.)

12 Earnings per share (EPS)

- a) Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.
- b) Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

c) The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended March, 2020
Profit attributable to the equity holders of the company	2,72,416
<b>Profit attributable to the equity holders of the parent</b>	<b>2,72,416</b>
Weighted average number of equity shares used for computing Earning per share (Basic and diluted)	10,00,000
	<u>10,00,000</u>

Earning per share (Basic) (Rs.)

0.27

Earning per share (Diluted) (Rs.)

0.27

Face value per share (Rs.)

10.00



Notes to financial statements for the period ended March 31, 2020

(Amount in Rs.)

13 Capital Commitments

	31-Mar-20
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-
Uncalled liability on shares and other investments partly paid	-

14 Contingent Liabilities

	31-Mar-20
Contingent Liabilities (not provided for) in respect of	
Claims against the company not acknowledged as debt;	-
Other money for which the company is contingently liable.	-

15 Trade Receivables

	31-Mar-20
No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.	
Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.	
Trade receivables are non-interest bearing, if any.	

16 Segment Information

The company is engaged primarily in the business of procurement of land for developing. Considering this the company has one business / geographical segments as per Ind AS 108 "Operating segment".

17 As there are no employees, during the period covered in financials and hence no provision is made for retirement benefits

18 The company does not have any Lease transaction reportable under ind as 116.

19 No Foreign Currency Transaction happened during the period covered under financials thus no foreign exchange difference arise.

20 Company does not have any pending litigations which would impact its financial position as on March 31, 2020.





(Amount in Rs.)

Notes to financial statements for the period ended March 31, 2020

21 Related party transactions

21.1 Parties where control exists  
Holding company

GMR Enterprises Pvt. Ltd.

21.2 Other related parties where transactions have taken place during the year:

Enterprises under Common Control / Fellow subsidiaries Company/ Joint Ventures ( where Transactions have taken place)

GMR Infratech Pvt. Ltd

Key Management Personnel and their Relative

Name	Appointment Date
Mr. K.Sreemannarayana, Director	22.01.2019
Mr. Ravi Majeti, Director	22.01.2019

Enterprises where Key Management Personnel and their relatives exercise significant influence (where transactions have taken Place)

Nil

(where transactions have taken place)			
Particulars	Holding Company	Fellow subsidiary Companies / Joint Ventures & Others	Total
March 31, 2020			
<u>Transactions for the year:</u>			
<u>Interest Income</u>			
From GMR Infratech Pvt. Ltd	-	1,39,142	1,39,142
		1,39,142	1,39,142
<u>Loans Given</u>			
GMR Infratech Pvt. Ltd	-	99,00,000	99,00,000
		99,00,000	99,00,000
<u>Share Application Money</u>			
Received from GMR Enterprises Pvt. Ltd	1,00,00,000	-	1,00,00,000
	1,00,00,000		1,00,00,000
<u>Allotment of Equity Shares</u>			
To GMR Enterprises Pvt. Ltd	1,00,00,000	-	1,00,00,000
	1,00,00,000		1,00,00,000
<u>Balances at the year end</u>			
<u>Loans Given</u>			
GMR Infratech Pvt. Ltd	-	99,00,000	99,00,000
		99,00,000	99,00,000
<u>Interest Receivable</u>			
From GMR Infratech Pvt. Ltd	-	1,25,228	1,25,228
		1,25,228	1,25,228

a) There are no transactions with Key Management personnel and their relatives and also with Enterprises Key Management Personnel and their Relative exercise significant influence during the above periods  
b) No amount has been provided as doubtful receivables or advance/ written off during the year in respect of receivables due from/ to above related parties except for amount disclosed above.



(Amount in Rs.)

## Notes to financial statements for the period ended March 31, 2020

### 22 Fair Values

#### Accounting classification and fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the company's financial instruments.

	Carrying value 31-Mar-20	Fair value 31-Mar-20
<b>Financial assets</b>		
Measured at amortized cost:		
(a) Cash and cash equivalent	3,31,155	3,31,155
(b) Loans given	99,00,000	99,00,000
(c) Other current assets	1,25,228	1,25,228
<b>Total</b>	<b>1,03,56,383</b>	<b>1,03,56,383</b>

#### Financial liabilities

Measured at amortized cost:

(a) Borrowings	-	-
(b) Other financial liabilities	30,000	30,000
<b>Total</b>	<b>30,000</b>	<b>30,000</b>

The carrying amount of financial instruments such as cash & cash equivalents and other bank balances, Loans given and liabilities are considered to be same as their fair value due to their nature.

The fair values of financial assets and financial liabilities recorded in the balance sheet in respect of which quoted prices in active markets are available are measured using valuation techniques.

#### B. Fair Value Hierarchy

The following table provides fair value measurement hierarchy of financial instruments as referred in note (A) above:

Quantitative disclosures fair value measurement hierarchy

	Year	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
	31-Mar-20	-	-	-	-

There have been no transfers Level 1 and Level 2 during the period.



**Notes to financial statements for the year ended March 31, 2020**

(Amount in Rs.)

	<b>31-Mar-20</b>
	Increase/decrease in basis points
	Effect on profit before tax

INR	+50	Nil
	(-)50	Nil

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

**b. Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Company has no exposure to the risk of changes in foreign exchange rates in respect of Operating, Investing and Financial activities.

**Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the Company.

For receivables, as a practical expedient, the Company computes expected credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. Additionally, the Company also computes customer specific allowances at each reporting date.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The ECL is calculated on default probability percentage arrived from the historic default trend. In order to determine the default probability percentage, a simple average of customer wise specific allowances or actual bad debts incurred in succeeding year (derived rates) (whichever is higher) for the preceding three years is considered as a percentage of gross receivables positions of each customer as at reporting date.

**Other financial assets**

Credit risk from cash and cash equivalents, term deposits and derivative financial instruments is managed by the Company's treasury department/risk management team in accordance with the Company's policy. Investments, in the form of fixed deposits, of surplus funds are made only with banks. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

**Liquidity Risk**

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company regularly monitors the rolling forecasts and actual cash flows, to ensure it has sufficient funds to meet the operational needs.

<b>As on March 31, 2020</b>	<b>Within 1 year</b>	<b>More than 1 year</b>	<b>Total</b>
Borrowings	-	-	-
Trade and Other Payables	-	-	-
Other current financial liabilities	83,967	-	83,967
	<b>83,967</b>	<b>-</b>	<b>83,967</b>



Notes to financial statements for the year ended March 31, 2020

(Amount in Rs.)

	31-Mar-20	
	Increase/decrease in basis points	Effect on profit before tax
INR		
	+50	Nil
	(-150)	Nil

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

b. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Company has no exposure to the risk of changes in foreign exchange rates in respect of Operating, Investing and Financial activities.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the Company.

For receivables, as a practical expedient, the Company computes expected credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. Additionally, the Company also computes customer specific allowances at each reporting date.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The ECL is calculated on default probability percentage arrived from the historic default trend. In order to determine the default probability percentage, a simple average of customer wise specific allowances or actual bad debts incurred in succeeding year (derived rates) (whichever is higher) for the preceding three years is considered as a percentage of gross receivables positions of each customer as at reporting date.

Other financial assets

Credit risk from cash and cash equivalents, term deposits and derivative financial instruments is managed by the Company's treasury department/risk management team in accordance with the Company's policy. Investments, in the form of fixed deposits, of surplus funds are made only with banks. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Liquidity Risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company regularly monitors the rolling forecasts and actual cash flows, to ensure it has sufficient funds to meet the operational needs.

As on March 31, 2020

Borrowings  
Trade and Other Payables  
Other current financial liabilities

	Within 1 year	More than 1 year	Total
	-	-	-
	83,967	-	83,967
	<u>83,967</u>	<u>-</u>	<u>83,967</u>



## Notes to financial statements for the year ended March 31, 2020

### 25 First-time adoption of Ind AS

These are the first financial statements of the Company and the company applied the principles of Ind AS since the date of incorporation and hence disclosures are required under Ind AS 101 are not applicable

26 Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro, Small and Medium Enterprises development Act, 2006. Disclosure as per Section 22 of "The Micro, Small and Medium Enterprises Development Act, 2006" (as certified by the management).

Particulars	31-Mar-20	31-Mar-19	01-Apr-18
The Principal amount and interest due thereon remaining unpaid to any supplier			
- Principal Amount	Nil	Nil	Nil
- Interest thereon	Nil	Nil	Nil
The amount of interest paid by the buyer in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day.	Nil	Nil	Nil
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	Nil	Nil	Nil
The amount of interest accrued and remaining unpaid	Nil	Nil	Nil
The amount of further interest remaining due and payable in the succeeding year till the date of finalization of financial statements	Nil	Nil	Nil

As per our report of even date attached  
For B. Purushottam & Co.  
Chartered Accountants  
Firm Registration Number - 002808S

B. Mahidhar Krrishna  
Partner  
Membership No. 243632

Place : New Delhi  
Date : 29th September 2020



For and on behalf of the Board of Directors of  
GMR Real Estates Private Ltd

K. Sreemannaravana

Director  
DIN: 01876402

Ravi Majeti

Director  
DIN: 07106220

