

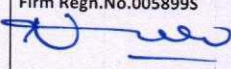
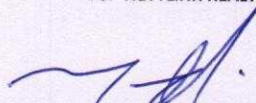

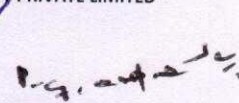
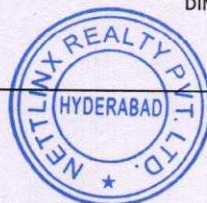
NETTLINX REALTY PRIVATE LIMITED

CIN: U45102AP2006PTC051182

5-9-22, 3rd Floor, My Home Sarovar Plaza, Secretariat Road, Saifabad

Hyderabad - 500 063

BALANCE SHEET AS AT 31.03.018

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-current assets				
(a) Property, plant and equipment	2	1,440,892	1,418,217	1,710,630
(b) Capital work-in-progress				
(c) Goodwill				
(d) Other Intangible assets				
(e) Financial assets				
(i) Investments	3	3,048,800	3,950,050	9,259,700
(ii) Trade Receivables				
(iii) Loans				
(iv) Other financial assets				
(f) Deferred tax assets (net)	4	11,603,687	11,270,258	9,401,321
(g) Other non-current assets				
Total Non-current assets (1)		16,093,379	16,638,525	20,371,651
Current assets				
(a) Inventories	5	85,907,764	85,208,798	82,208,798
(b) Financial assets				
(i) Investments				
(ii) Trade Receivables				
(iii) Cash and cash equivalents	6	172,487	80,758	995,627
(iv) Bank balances other than above				
(v) Loans & Advances	7	16,396,480	21,646,480	14,996,480
(vi) Other financial assets				
(c) Current tax assets				
(d) Other current assets	8	14,378	38,229	47,170
Total Current assets (2)		102,491,109	106,974,265	98,248,075
Total Assets (1+2)		118,584,488	123,612,790	118,619,726
EQUITY AND LIABILITIES				
SHARE HOLDER'S FUNDS				
(a) Equity share capital	9	3,100,000	3,100,000	3,100,000
(b) Other equity	10	(68,261,631)	(50,975,127)	(34,768,762)
Total Equity (1)		(65,161,631)	(47,875,127)	(31,668,762)
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings		-	-	-
(ii) Trade Payables		-	-	-
(iii) Other financial liabilities (other than those specified in (b))		-	-	-
(b) Provisions		-	-	-
(c) Deferred tax liabilities (net)		-	-	-
(d) Other Non-current Liabilities		-	-	-
Total Non-current liabilities (2)		-	-	-
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	11	95,432,359	93,771,084	83,817,304
(ii) Trade payables				
(iii) Other financial liabilities other than those specified in (c)	12	86,324,503	76,013,243	65,481,809
(b) Other current liabilities	13	1,989,257	1,703,590	989,375
(c) Provisions				
(d) Current tax liabilities (Net)				
Total Current liabilities (3)		183,746,119	171,487,917	150,288,488
Total Equity and Liabilities (1+2+3)		118,584,488	123,612,790	118,619,726
Corporate information and significant accounting policies	1			
See accompanying notes form integral parts of Financial Statements	2 to 16			
In terms of our report attached For M/s. NIRANJAN & NARAYAN Chartered Accountants Firm Regn.No.005899S		For and on behalf of the Board of Directors For NETTLINX REALTY PRIVATE LIMITED		
 P.VENUMADHAVARAO Partner Membership No.202785		 MANOHAR LOKA REDDY Managing Director DIN:00140229		
		 CHANDRA SEKHAR POGULA Director DIN :00007536		
Place: Hyderabad. Date: 29.05.2018				

NETTLINX REALTY PRIVATE LIMITED

CIN: U45102AP2006PTC051182

5-9-22, 3rd Floor, My Home Sarovar Plaza, Secretariat Road, Saifabad
Hyderabad - 500 063

Profit & Loss Statement for the year ended 31st March 2018

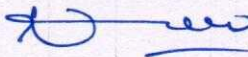
Particulars	Note	Year Ended March 31, 2018	Year Ended March 31, 2017
I Revenue from operations			
II Other income (net)			
III Total Income (I + II)		-	-
IV Expenses			
(a) Changes in inventories and finished goods & stock in process			
(b) Employee benefit expenses	14	3,889,447	3,912,293
(c) Finance costs	15	11,623,618	8,263,143
(d) Depreciation and amortization expense		727,325	292,413
(e) Other expenses	16	478,293	297,803
Total Expenses(IV)		16,718,683	12,765,652
V Profit/(loss) before exceptional items and tax (I - IV)		(16,718,683)	(12,765,652)
VI Exceptional items			
VII Profit/(loss) before tax (V - VI)		(16,718,683)	(12,765,652)
VIII Tax Expense			
(a) Current tax		85,045	64,187
(b) Deferred tax			
Total Tax Expense		85,045	(64,187)
IX Profit after tax (VII - VIII)		(16,803,728)	(12,829,839)
X Other comprehensive income			
A			
(i) Items that will not be reclassified to profit or loss			
Net (loss)/ gain on Fair Value Through OCI (FVTOCI) equity securities		(901,250)	(5,309,650)
(ii) Income tax on items that may not be reclassified to profit or loss		248,385	1,804,750
		(652,866)	(3,504,900)
IX Total Comprehensive Income for the year (VII + VIII)		(17,456,593)	(16,334,738)
X Earnings Per Share (₹)			
(i) Basic			
(ii) Diluted			
XI Weighted average equity shares used in computing earnings per equity share			
(i) Basic			
(ii) Diluted			
Corporate information and significant accounting policies	1		
See accompanying notes form integral parts of Financial Statements	2 to 16		

As per our report of even date:

For M/s. NIRANJAN &

Chartered Accountant:

Firm Regn.No.005899S



P.VENUMADHAVARAO

Partner

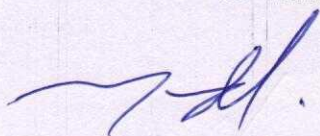
Membership No.202785



Place: Hyderabad.


Date: 29.05.2018

For and on behalf of the Board of Directors
For NETTLINX REALTY PRIVATE LIMITED


MANOHAR LOKA REDDY

Managing Director

DIN:00140229


CHANDRA SEKHAR POGULA

Director

DIN :00007536



Nettlinx Realty Limited**Notes to the standalone**

All amounts are in ` lakhs unless otherwise stated

NOTE – 2			
PROPERTY, PLANT & EQUIPMENT			
Particulars	Vehicles	OFFICE EQUIPMENT	Total
Cost			
As at 01-04-2016	5,039,979	-	5,039,979
IND AS adjustment			
Additions		-	-
Disposals	-	-	-
As at 31-03-2017	5,039,979	-	5,039,979
Additions	-	750,000	750,000
Disposals	-	-	-
As at 31-03-2018	5,039,979	750,000	5,789,979
Depreciation			
As at 01-04-2016	3,329,349		3,329,349
As at 31-03-2017	3,621,762		3,621,762
Charge for the year-2018	584,825	142,500	727,325
Disposals-2018	-	-	-
As at 31-03-2018	4,206,587	142,500	4,349,087
Net Block			
As At 31-03-2018	833,392	142,500	1,440,892
As At 31-03-2017	1,418,217		1,418,217
As At 01-04-2016	1,710,630	-	1,710,630

*P. Grandha S.*

Nettlinx Reality Limited

Notes to the standalone financial statements for the year ended March 31, 2018

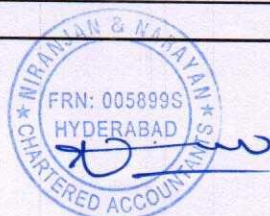
All amounts are in ` lakhs unless otherwise stated

NOTE – 3	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Non Current Investments			
Investments carried at cost			
Unquoted Equity shares			
Investment in Equity shares of LGS Global Ltd (515000 no's of Equity shares (face value Rs.10/-))	34,345,036	34,345,036	34,345,036
Investments carried at Fair Value Through Other Comprehensive Income (FVTOCI)	(31,296,236)	(30,394,986)	(25,085,336)
Unquoted equity shares			
Total	3,048,800	3,950,050	9,259,700
Investments carried at cost - Unquoted equity shares in Subsidiaries and Associates	34,345,036	34,345,036	34,345,036
Investments carried at (FVTOCI) - Unquoted equity shares in Others	(31,296,236)	(30,394,986)	(25,085,336)

NOTE – 4	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
DEFERRED TAX LIABILITY			
Related to carried forward loss	11,270,258	9,401,321	(368,882)
Mat Credit Entitlement			1,161,790
Disallowances under IT act 1961			
Related to Temporary differences on Depreciation/Amortization	85,045	64,187	81,907
INDAS ADJ	248,385	1,804,750	8,526,506
Deferred Tax Asset			
Net Deferred Tax Asset	11,603,687	11,270,258	9,401,321

NOTE – 5	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
INVENTORIES			
(Valued at lower of Cost or net realizable value, unless otherwise stated)			
Land	85,907,764	85,208,798	82,208,798
Total	85,907,764	85,208,798	82,208,798

NOTE – 6	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
CASH AND CASH EQUIVALENTS			
Balance with Banks			



P. G. and Co.

- In Current Account	31,982	41,119	30,406
Cash on Hand	140,507	39,639	965,221
Total	172,488	80,758	995,627

NOTE - 7	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
LOANS-OTHER FINANCIAL ASSETS			
Advance to land	16,396,480	21,646,480	14,996,480
Total	16,396,480	21,646,480	14,996,480

NOTE - 8	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Other assets			
Current (Unsecured considered good)			
- Prepaid Expenses	12,139	35,229	47,170
Staff advances	2,239	3,000	-
Total	14,378	38,229	47,170



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Nettlinx Realty Limited

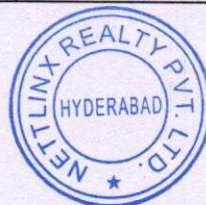
Notes to the standalone financial statements for the year ended March 31, 2018

All amounts are in ` lakhs unless otherwise stated

NOTE – 11	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
CURRENT BORROWINGS			
Secured and Loans Repayable on Demand			
From Banks-CC A/c	4,987,027	176,534	656,397
Vehicle Loans	148,769	424,982	675,016
Unsecured			
Loans Received from Related Parties	90,296,563	93,169,568	82,485,892
Total	95,432,359	93,771,084	83,817,304

NOTE – 12	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
OTHER FINANCIAL LIABILITIES			
NON-CURRENT			
CURRENT			
Advances Received from customers	54,320,000	54,320,000	45,070,000
Interest payable	31,903,915	21,497,010	20,068,036
Audit remuneration payable	56,750	56,750	56,750
Employee Related Expenses	43,840	139,483	287,023
Total	86,324,505	76,013,243	65,481,809

NOTE – 13	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
OTHER CURRENT LIABILITIES			
CURRENT			
TDS PAYABLE U/C - 192 B	800000	880000	450000
TDS PAYABLE U/C - 194 J	30000	10000	10600
TDS PAYABLE U/C - 194 A	1159257	813590	518775
TDS PAYABLE U/C - 194 C	0	0	10000
Total	1989257	1703590	989375



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Nettlinx Reality Limited

Notes to the standalone financial statements for the year ended March 31, 2018

All amounts are in lakhs unless otherwise stated

NOTE – 14	For the Year ended 31-03-2018	For the Year ended 31-03-2017
EMPLOYEE BENEFIT EXPENSE		
Salaries(including managerial Remuneration)	3,886,371	3,905,593
Staff Welfare Expenses	3,076	6,700
Total	3,889,447	3,912,293

NOTE – 15	For the Year ended 31-03-2018	For the Year ended 31-03-2017
FINANCE COSTS		
Interest expense on Financial liabilities at amortised cost:		
Interest on loan received from related parties	11,592,583	8,135,917
Interest on Working Capital	31,035	127,226
Total	11,623,618	8,263,143

NOTE – 16	For the Year ended 31-03-2018	For the Year ended 31-03-2017
OTHER EXPENSES		
Insurance	47,368	79,524
Bank charges	25,806	5,737
Auditors' Remuneration	29,500	28,750
Legal & Professional Charges	300,000	100,000
Communication Cost	5,056	4,198
Conveyance Expenses	21,061	33,086
Rates & Taxes		5,500
Office Maintenance		21,070
Demat Charges		4,000
Vehicle Maintainance	49,502	
Travelling Expenses		15,938
Total	478,293	297,803



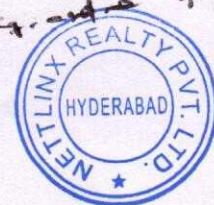
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NETTLINX REALTY PRIVATE LIMITED
5-9-22, 3rd Floor, My Home Sarovar Plaza, Secretariat Road, Saifabad
Hyderabad - 500 063

2. NOTES TO ACCOUNTS:

Note	Particulars		As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
			₹	₹	₹
Note 1	AUTHORIZED CAPITAL: (500,000 Equity shares of Rs. 10/- each)		5,000,000	5,000,000	5000000
Note 2	(a) Share Capital Issued, subscribed and paid-up Capital (310,000 Equity Shares of Rs. 10/- each)		3,100,000	3,100,000	3100000
	i) Details of share holders holding more than 5% of equity shares in the Company				
			31 st March2018	31 st March2017	1st April 2016
			No.of Shares	No.of Shares	No.of Shares
	1).NETTLINX LIMITED Share % Holding - 99%		3,09,990	3,09,990	3,09,990
Note 3	b) Reserve & Surplus Profit and Loss Account Opening Reatined Earnings Opening Balance Reatined Earnings Current Profit/(Loss)	- (30,618,982) - (16,633,638)	(47,252,620)	(30,618,982)	(17,625,106)
	Total		(47,252,620)	(30,618,982)	(17,625,106)
Note 4	Un-Secured Nettlinx Limited Nettlinx Aqua Culture Pvt.Ltd		90,296,563	93,169,568	62098517.88 17787374
			90,296,563	93,169,568	79,885,892
Note 5	(b) Deferred tax liabilities (Net) Add: Deferred tax liability(Current Year)	222,787 0	307,833	222,787	286975
			307,833	222,787	286975
Note 6	(c) Other Long-term Liabilities Advances form Customers Bhaiji Infraprojects Pvt.Ltd Pan Habbits M.Krupavathi - A/c R.v.Infra Refundble Deposits		44,870,000 5,500,000 200,000 3,750,000	44,870,000 5,500,000 200,000 3,750,000	44870000 200000
			54,320,000	54,320,000	45,070,000
Note 7	(4) Current Liabilities (a) Short-term borrowings Unsecured loans Secured HDFC Bank Over Draft Honda Jazz Hdfc Car Loan Account Un-Secured Dr.Manohar Loka Reddy Chandra Sekhar Pogula		4,987,027 148,769	176,534 424,982	656396.68 675,016
			5,135,796	601,516	2100000 500000
Note 8	(c) Other current liabilities				3931412.29



2. NOTES TO ACCOUNTS:

Note	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
	Staff Advances	-	-	12526
	Audit Fees Payable	56,750	56,750	56750
	Salaries Payable	43,840	139,483	274497
	Interest On Loan Payable	31,903,914	21,492,428	20064978
	HP Finance Charges	-	4,582	3058
	Total	32,004,504	21,693,243	20411809
Note 9	(d) Short-term Provision			
	TDS PAYABLE U/C - 192 B	800,000	880,000	450000
	TDS PAYABLE U/C - 194 J	30,000	10,000	10600
	TDS PAYABLE U/C - 194 A	1,159,257	813,590	518775
	TDS PAYABLE U/C - 194 C			10000
	Total	1,989,257	1,703,590	989,375
Note 10	(1) Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets			
	Office Equipment	750,000	-	0
	Vehicle-Santafe	676,223	899,164	-
	Vehicle-Jazz	449,583	811,467	0
	Total	1,875,806	1,710,631	0
Note 11	(d) Long term loans and advances			
	Advances for Land	16,396,480	21,646,480	14,996,480
	Total	16,396,480	21,646,480	14,996,480
Note 12	Other non-current assets			
	MAT Credit Entitlement Account	1,161,790	1,161,790	1161790
	Total			1161790
Note 13	(2) Current assets			
	(a) Current investments			
	Investment in Equity shares of LGS Global Ltd (515000 no's of Equity shares (face value Rs.10/-))	34,345,036	34,345,036	34,345,036
	Total	34,345,036	34,345,036	34,345,036
Note 14	(b) Inventories			
	LANDS ACCOUNT	85,907,764	85,208,798	82208798
	Total	85,907,764	85,208,798	82208798
Note 15	(d) Cash and cash equivalents			
	Cash-in-hand	140,507	39,639	965,221
	Bank balance with Bank Current accounts			
	HDFC Bank A/c-00210340003319	-	9,138	11,375
	ICICI Bank Ltd. A/c -000805009310	23,554	23,554	10,604
	Oriental Bank of Commerce	8,428	8,428	8,428
	Total	172,488	80,758	995,627
Note 16	(f) Other current assets			
	Prepaid Insurance	12,139	35,229	47170
	staff Advances	2,239	3,000	
	Total	14,378	38,229	47170



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NETTLINX REALTY PRIVATE LIMITED
 5-9-22, 3rd Floor, My Home Sarovar Plaza, Secretariat Road, Saifabad
 Hyderabad - 500 063

CIN: U45102AP2006PTC051182

STATEMENT SHOWING DEPRECIATION AS PER COMPANIES ACT AS ON 31ST MARCH, 2018

Description of the Asset	Rate %	GROSS BLOCK			DEPRECIATION					NET BLOCK	NET BLOCK	
		As on 01.04.2017	Additions during the year	Deletions during the year	As at 31.03.2018	Upto 01.04.2017	During the year	Deletions during the year	Retained Ear TRFR	Total 31.03.2018	As at 31.03.2018	As at 31.03.2017
Vehicles	8Y	5,039,979	-	-	5,039,979	3,329,348	584,825	-	-	3,914,174	1,125,805	1,710,631
Office Equipment	5Y	397,350	750,000	-	1,147,350	397,350	142,500	-	-	539,850	607,500	-
TOTAL		5,437,329	750,000	-	6,187,329	3,726,698	727,325			4,454,024	1,733,305	1,710,631

For NETTLINX REALTY PRIVATE LIMITED

Place: Hyderabad
 Date : 21-05-2018

(MANOHAR LOKA REDDY)
 Managing Director
 DIN:00140229

(Handwritten Signature)
 (CHANDRA SEKHAR POGULA)
 Director
 DIN:00007536



NETTLINX REALTY PRIVATE LIMITED

5-9-22, 3rd Floor, My Home Sarovar Plaza, Secretariat Road, Saifabad

Hyderabad - 500 063

CIN: U45102AP2006PTC051182

DEPRECIATION STATEMENT AS PER I.T. ACT 1961 FOR THE YEAR ENDED 31-03-2018

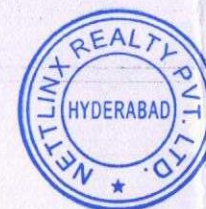
DESCRIPTION OF ASSET	W.D.V AS ON 01/04/2017 ₹	ADDITIONS DURING THE YEAR		TOTAL VALUE AS ON 31/03/2018	Rate of Dep.	Depr. For the year ₹	W.D.V. As on 31/03/2018 ₹
		BEFORE SEPTEMBER	AFTER SEPTEMBER				
		₹	₹				
VEHICLES	2,331,911	-	-	2,331,911	15%	349,787	1,982,124
Office Equipment	273,124	750,000	-	1,023,124	10%	102,312	920,812
TOTAL	2,605,035	750,000	-	3,355,035		452,099	2,902,936

For NETTLINX REALTY PRIVATE LIMITED

Place: Hyderabad
Date : 21-05-2018



MANOHAR LOKA REDDY
Managing Director
DIN:00140229



Chandra Sekhar Pogula
CHANDRA SEKHAR POGULA
Director
DIN : 00007536

A. General Information

Nettlinx Realty Private limited ('the Company') is a Limited Company incorporated in India, registered under Companies Act 1956 having registered office at 5-9-22 Flat No.303 , 3rd Floor My Home Sarovar Plaza, Secretariat Hyderabad TG 500063 IN and its securities listed on the BSE Limited.

Nettlinx Realty Private profitable diversification under the Nettlinx Holding Company, Nettlinx Realty Pvt. Ltd has chalked out ambitious plans as the real estate sector is booming across the principal cities in India and is poised to grow rapidly in the next few years.

B. Basis of preparation of financial statements

B.1. Statement of Compliance

These financial statements are prepared in accordance with the generally accepted accounting principles (GAAP) in India and in compliance with the Indian Accounting Standards (Ind AS) Specified under section 133 of the Companies Act 2013("the Act") read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 , the Companies (Indian Accounting Standards) (Amendment) Rules, 2017 and other provisions to the Act, to the extent notified and applicable as well as applicable guidance notes and pronouncements of the Institute of Chartered Accountants of India (the ICAI)

The financial statements were authorized for issue by the Company's Board of Directors on 25 May, 2018.

Details of the accounting policies are included in Note 1.

B.2 Basis of preparation and presentation

These financial statements for the year ended March 31, 2018 are the first financial statement that the Company has prepared under Ind AS. For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Act, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'the Previous GAAP') used for its statutory reporting requirements in India immediately before adopting Ind AS.

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the statement of financial position:

- Certain financial assets and liabilities are measured at fair value;
- Employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation;
- Long term borrowings are measured at amortized cost using the effective interest rate method.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1. Basis of Accounting

The Financial Statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2. Use of estimates

The preparation of financial statements in conformity with GAAP requires Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of financial statements and reported amounts of income and expenses during the period.

2.3. Inventories

Inventories are valued at the lower of cost and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty

2.4. Cash and Cash Equivalent

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5. Depreciation and amortization

Depreciation on fixed assets is provided pro-rata to the period of use on the straight line method at the rates provided in Schedule XIV of the companies' act 2013.

2.6. Revenue Recognition

Sale of goods

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

Income from services

Revenues from contracts priced on a time and material basis are recognized when services are rendered and related costs are incurred. Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognized over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognized when probable. Revenues from maintenance contracts are recognized pro-rata over the period of the contract.

2.7. Other Income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established

2.8. Fixed Assets

Fixed assets, are stated at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired and put to use for project purpose are capitalized and depreciation thereon is included in the project cost till commissioning of the project.

Fixed assets acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash consideration. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident. Fixed assets acquired in exchange for securities of the Company are recorded at the fair market value of the assets or the fair market value of the securities issued, whichever is more clearly evident.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately in the Balance Sheet. Capital work-in-progress: Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and

attributable interest.

2.9. Investments:-

Management intends to keep the investments for long term; hence investments are valued at cost.

2.10. Employee benefits

Contribution to defined Schemes such as Provident Fund and Employee's State Insurance Scheme are charged as incurred on accrual basis.

Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

2.11. Borrowing costs

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.12. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

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

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in

one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

Deferred Tax Computation

	Particulars	
a)	Written down value as per companies act	7,27,325
b)	Written down value as per income tax act	4,52,099
c)	Timing Difference	(2,75,226)
d)	Deferred tax Liability	(85,045)
e)	Previously recognized Deferred Tax Liability	2,22,788
f)	Deferred tax to be charged to Profit and loss account	1,37,743

2.13. Provisions and Contingencies:

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

Payment to Auditors

	31 st March 2018	31 st March 2017
Statutory Audit Fees	Rs. 28,750/-	Rs.28, 750/-
Re-imbusement of Expenses	NIL	NIL

Related party Disclosures

A. List of Related parties

Party Name	Nature of associate
Nettlinx Limited	Holding company
Nettlinx Aquaculture Pvt Limited	Common Director/Shareholders are same

B. Key management Personal

1. Manohar Loka Reddy

C. Related party transactions in the ordinary course of business

	31 st March 2018	31 st March 2017
Nettlinx Aquaculture Pvt Limited.	Nil	Nil

D. Loans from Related Parties

	31 st March 2018	31 st March 2017
Nettlinx Limited	Rs.9,02,96,562	Rs. 9,31,69,568/-

Signatures on Notes 1 to 2.14

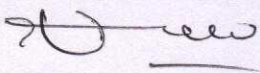
As per our report of even date

For and on behalf of the Board

For M/s.NIRANJAN & NARAYAN.

CHARTERED ACCOUNTANTS

(Reg No 005899S)



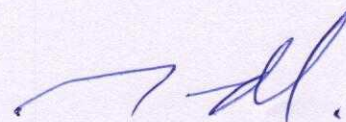
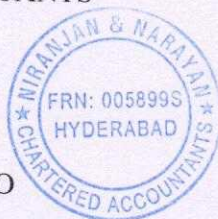
P.VENUMADHAVARAO

PARTNER

Membership No. 202785

Place: Hyderabad

May 29, 2018



MANOHAR LOKA REDDY

Managing Director



CHANDRA SEKHAR POGULA

Director



NIRANJAN & NARAYAN
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To
The Members of NETTLINX REALITY PRIVATE LIMITED
Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of NETTLINX REALITY PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

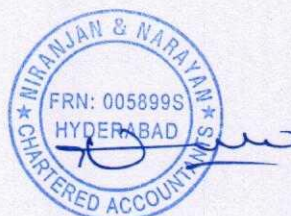
Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting 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 and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.



NIRANJAN & NARAYAN
CHARTERED ACCOUNTANTS

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its loss, total comprehensive income and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

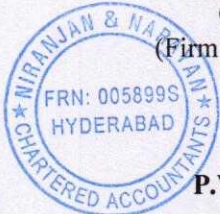
1. As required by Section 143(3) of the Act, based on our audit we report that:


- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, 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 prescribed under section 133 of the Act.
- e) on the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure " a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place: Hyderabad
Date: 24-05-2018

For NIRANJAN & NARAYAN
Chartered Accountants
(Firm's Registration No. 005899S)



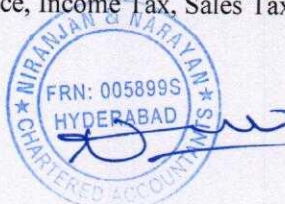

P.VENUMADHAVA RAO
Partner
(Mem.No.202785)

NIRANJAN & NARAYAN
CHARTERED ACCOUNTANTS

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Nettlinx Reality Private Limited of even date)

- i. In respect of the Company's fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- ii.
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- iii. According to the information and explanations given to us, the Company has not granted unsecured loans covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 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 has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value



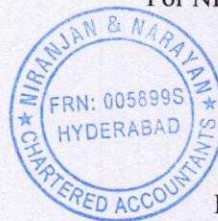
NIRANJAN & NARAYAN
CHARTERED ACCOUNTANTS

Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in payment of dues to banks, financial institutions, banks and government as on date of Balance Sheet.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are 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.

For NIRANJAN & NARAYAN

Chartered Accountants
(FRN. 005899S)





P.VENUMADHAVA RAO

Partner

(Mem.No.202785)

Place: Hyderabad

Date: 24-05-2018