



MANJEERA
Life Elevated

To,
The Secretary
BSE Limited
P. J. Towers, Dalal Street
Mumbai - 400 001

Date: 29.09.2017

Dear Sir/ Madam,

Sub: Annual Report for Financial Year 2016-17 (Scrip Code: 533078)

Pursuant to Regulations 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find the enclosed Annual Report for the Financial Year 2016-17 as it has been approved and adopted in the 30th Annual General Meeting of the Company held on September 29, 2017.

We request you to kindly take the same on record.

Thanking You,

Yours Sincerely,
Manjeera Constructions Limited

Sucharitra Sahoo
Company Secretary

Encl: a/a

Manjeera Constructions Ltd.

711, Manjeera Trinity Corporate, JNTU – Hitech City Road, Kukatpally, Hyderabad – 500 072,

CIN : L45200AP1987PLC007228

Ph: +91 40 66479647 / 66479664, E-mail : info@manjeera.com, www.manjeera.com

ANNUAL REPORT 16-17



MANJEERA
Life Elevated



**MOVING
OUR VISION
FORWARD**



CHAIRMAN'S MESSAGE

Dear Shareholders,

My warm greetings to you!

It gives me immense pleasure to be connecting with you again from our modern office at Manjeera Trinity Corporate.

The financial year 2016-17 has been a landmark year for the Indian economy. The year was marked by important developments in the Indian economy, which witnessed a wave of significant reforms and policy initiatives that will have a far reaching impact on the Indian real estate sector.

Regulations like Real Estate Regulatory Authority (RERA) and GST have become a reality, bringing about a profound transformation that would give a huge fillip to the housing sector in the country. The positive reforms set in motion by the government will steer the realty sector toward a more transparent, accountable and compliant era.

The government's thrust on affordable-housing and housing-for-all will lead to robust growth, opening up additional avenues for the organised players. The pace of continued urbanisation, rising household incomes, affordable credit and a burgeoning middle class would continue contributing to the real-estate growth story. The optimism around Real Estate Investment Trusts (REITs) to infuse capital will change the industry dynamics. With the changing policy, landscape over the last couple of years and a host of new measures being introduced, the real estate industry is heading for a paradigm shift.

Operational Performance Review

Your Company on a standalone basis has achieved a turnover of Rs. 4714.48 Lacs and the net profit after tax stood at Rs.167.19 Lacs. The performance on a consolidated basis is impacted as the property of Mall is mostly retained, and only rents are received by the subsidiary Company.

The performance on Manjeera Mall has been quite gratifying. Manjeera Trinity Corporate has exceedingly done well in terms of occupancy. The growth in the absorption of office space augurs well for residential accommodation as well. The trend is good for the next couple of years. The Purple Town project has made significant progress.

However, I am quite optimistic about the performance of the company going forward. We are constantly aligning ourselves to the sweeping changes around us in terms of industry dynamics, innovation and requirements. Considering the pace of change around us, we challenged ourselves over the last few years to re-evaluate our strengths and recalibrate our strategies to stay ever-

relevant to our stakeholders. I firmly believe that Manjeera is undergoing a transformation for the better and we will deliver to our shareholders a stronger future, based on the foundation of our past.

Our commitment to our clients

The business of the Company is firmly focused on improved execution efficiencies, cost competitiveness and better services to existing and potential customers.

The key aspects of the business philosophy of Manjeera group are on projects with clear titles, transparency in transactions, on-time delivery, value for money; cost competitiveness, high-quality standards with a focus on best in class Healthy Safety Environment. Integrated strengths coupled with the experienced and highly skilled work force, are the key enablers in delivering critical and complex projects.

Manjeera Group has managed to create several landmark projects in residential, commercial, retail and hospitality sectors. The projects developed by the Company mostly to cater the middle and upper middle groups.

Entering and exploring new geographies

Having made its mark in the city of its birth, Manjeera has now expanded into other cities like Bengaluru, Vijayawada, Rajahmundry and Bhubaneswar.

Our Residential Project at Vijayawada, **Manjeera Monarch**, a 567 apartment blocks with 8.5 lakh sq. ft built up area is progressing fast and scheduled to be ready by 2019. The project is a trend setter and has been pre-certified by IGBC with Gold Rating. The project harnesses non-conventional energy in the form of solar power for common areas,

Your Company as a member of the Consortium jointly with one of its group Company, "Manjeera Hotels and Resorts Private Limited" has incorporated a special purpose vehicle (SPV) namely Manjeera Hospitality (Rajahmundry) Private Limited in September, 2016 with the sole objective to develop Convention cum Exhibition Centre, Hotel and Mall & Multiplex in line with the terms of the Concession Agreement, executed with APTDC, in the city of Rajahmundry, Andhra Pradesh. The work has commenced and the project is under implementation.

Our HR Initiatives and governance

In our governance structure we develop the skills of our employees and their capacities for advancement. Our organisation and the employees have developed a governance

structure of strong interdependencies with each other and support an atmosphere of strong commitment and collaboration in our pursuit of high quality and long term growth.

The efforts put in by the Company's executives, staff and workers have enabled us to achieve significant results under demanding circumstances. To ensure a sustainable contribution of the employees and a continuous growth, we are considering implementation of active measures to reduce the average age of the employee resources. This will foster more focus and team spirit amongst the employees. The company has now moved to a new, modern and spacious office space resulting in a good working atmosphere.

Looking ahead with optimism

Our business plan is to dedicate our mid-term and long-term strategy to focus on residential projects, especially on affordable housing. We are committed to building goodwill amongst our customers and stakeholders and elevating the lives of our customers.

We will remain focused, as always on the fundamentals of performance, maximizing productivity, optimizing costs, and monetizing non-key assets. ERP implementation has been successfully completed and is live now.

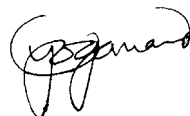
All our practices and processes have helped strengthen our bond with our stakeholders, including our employees, and also helped us build immense trust as a brand.

Thanks to our efforts, we have achieved numerous milestones during our journey, and today we have set the benchmark for quality in the industry. We are also flexible enough to continuously align ourselves with the changing market trends and offer customised products to ensure the highest level of customer satisfaction.

I would like to thank our management and all our employees individually and collectively for achieving our objectives.

I would like to thank you all my fellow shareholders, for your continued support and trust in us, let us grow together and construct a great future for ourselves and the economy.

Best wishes



G Yoganand
Chairman and MD



RECENTLY COMPLETED PROJECTS

MANJEERA
TRINITY
CORPORATE

MANJEERA
DIAMOND
TOWERS




MANJEERA
MALL



MANJEERA
TRINITY
HOMES



MANJEERA
majestic
HOMES

MANJEERA
majestic
COMMERCIAL



**ON GOING
PROJECTS**



**Purple
town**
premium villas from Manjeera



Manjeera Monarch, Vijayawada Project

BOARD OF DIRECTORS

Mr. G. Yoganand
Managing Director

Mr. K. Krishna Murty
Independent Director

Mr. DLS Sreshti
Independent Director

Mrs. G. Padmaja
Director

Mrs. Sucharitra Sahoo
Company Secretary & Compliance Officer

Audit Committee

Mr. DLS Sreshti
Mr. K. Krishna Murty
Mrs. G. Padmaja

Nomination & Remuneration Committee

Mr. DLS Sreshti
Mr. K. Krishna Murty
Mrs. G. Padmaja

Stakeholders Relationship Committee

Mr. K. Krishna Murty
Mr. DLS Sreshti

Statutory Auditors

M/s. A K Sabat & Co.,
Chartered Accountants,
Hyderabad

Principal Banker

Oriental Bank of Commerce

Registered Office

#711, Manjeera Trinity Corporate,
Besides Manjeera Mall,
JNTU-Hitech City Road,
Kukatpally, Hyderabad - 500072
Ph: +91-40-66479647 / 66479664
Email: manjeera_group@yahoo.com
Website: www.manjeera.com

Registrar & Share Transfer Agents

M/s. XL Softech Systems Limited
Plot No. 3, Sagar Society, Banjara Hills
Road No. 2, Hyderabad - 500034
Ph: +91-40-23545913/14/15
Fax: +91-40-23553214
Email: xlfield@gmail.com
Website: www.xlsoftech.com
Contact Person: Mr. Ram Prasad

CONTENTS

| | |
|-----|--|
| 09 | Notice |
| 15 | Directors' Report |
| 21 | Extract of Annual return – Form MGT-9 – Annexure I |
| 27 | Secretarial Audit report – Annexure II |
| 29 | Disclosure of contracts / arrangements with related parties in Form AOC-2 – Annexure III |
| 30 | Annual Report on Corporate Social Responsibility (CSR) Activities – Annexure V |
| 31 | Disclosure under rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 – Annexure VI |
| 33 | Management Discussions & Analysis Report |
| 36 | Report on Corporate Governance |
| 47 | CEO's Declaration |
| 47 | CEO/CFO Certification pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015 |
| 48 | Auditor's certificate on Corporate Governance |
| 49 | Independent Auditors' Report |
| 51 | Annexure to Independent auditor's report on Standalone Financial Statements |
| 54 | Standalone Balance Sheet |
| 55 | Standalone Profit & Loss Account |
| 56 | Standalone Cash Flow Statement |
| 57 | Notes and Schedules to Standalone Balance Sheet and Profit & Loss Account |
| 72 | Independent Auditors' Report on Consolidated Accounts |
| 75 | Annexure to Independent Auditor's Report on Consolidated Financial Statements |
| 77 | Consolidated Balance Sheet |
| 78 | Consolidated Profit & Loss Accounts |
| 79 | Consolidated Cash Flow Statement |
| 80 | Notes and Schedules to the Consolidated Balance Sheet and Profit & Loss Account |
| 100 | Glimpse of the financial statements of subsidiary / associates / Joint ventures in Form AOC-1 – Annexure IV |
| 101 | Proxy Form and Attendance Slip |

Notice to Members

Notice is hereby given that the 30th Annual General Meeting of the Members of “**Manjeera Constructions Ltd**” will be held on Friday, the 29th September, 2017 at 9.30 a.m. at Hotel Aditya Park, Ameerpet, Hyderabad - 500038 to transact the following business:

ORDINARY BUSINESS:

Item No.1 – Adoption of Financial Statements

To consider and adopt the Audited Financial Statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2017 and the reports of the Board of Directors (“the Board”) and Statutory Auditors thereon.

Item No.2 – Appointment of Mrs. G Padmaja as a Director liable to retire by rotation

To appoint Director in place of Mrs. G Padmaja (DIN: 02231720), who retires by rotation and being eligible to offer herself for reappointment.

Item No. 3 – Appointment of Statutory Auditors

To appoint the Statutory Auditors of the Company, and to fix their remuneration.

Explanation: The Companies Act, 2013 (“the Act”) was notified effective April 1, 2014 and Section 139 of the Act lays down the criteria for appointment and mandatory rotation of statutory auditors. Pursuant to Section 139 of the Companies Act, 2013 and Rules made there under, it is mandatory to rotate the Statutory Auditors on completion of two terms of five consecutive years. The Rules also lay down the transitional period that can be served by the existing auditors depending on the number of consecutive years for which an audit firm has been functioning as auditor in the same Company.

The existing auditors, M/s. A.K Sabat & Co., Chartered Accountants (Firm Registration No: 321012E) have served the Company for over 10 years before the Act was notified and will be completing the maximum number of transitional period (three years) at the ensuing 30th AGM.

On the recommendations of the Audit committee , the Board in their meeting held on 28th August, 2017 has approved and recommended the appointment of M/s. M. Bhaskara Rao & Co, Chartered Accountants (Firm Registration No. FRN-0004595) as the new Statutory Auditors of the Company subject to the approval of the Members. M/s. M. Bhaskara Rao & Co. will hold office for a period of three consecutive years from the conclusion of this 30th Annual General Meeting of the Company till the conclusion of the 33rd Annual general Meeting to be held on 2020.

“RESOLVED THAT pursuant to section 139,142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) and considering the recommendations of the Audit Committee and subject to the approval of the Members of the Company, M/s M. Bhaskara Rao & Co. (Firm Registration No. FRN- 0004595) be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a term of 3 years from the conclusion of this 30th Annual General Meeting (“AGM”) till the conclusion of 33rd AGM of the Company, subject to ratification of the said appointment at every intervening AGM held after this AGM, on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors in consultation with the Auditors.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized for and on behalf of the Company to file all necessary forms with the Registrar of Companies and to take all necessary steps and to do all such acts , deeds, matters and things which may be deemed necessary for giving effect to the above resolution.

SPECIAL BUSINESS:

Item No.4. Borrowing powers of the Board

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and in supersession of the Special Resolution passed by the Members at their Annual General Meeting on 30th September, 2015 the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, for borrowing (in any form including guarantees) from time to time, for the purpose of the Company’s business, any sum or sums of money, as it may deem proper, on such terms and conditions, and with or without security, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company, if any (apart from temporary loans obtained or to be obtained from the Company’s Bankers in the ordinary course of business), may exceed the aggregate, for the time being, of the paid-up capital and its free reserves (that is to say, reserves not set apart for any specific purpose), provided that the total amount of money / moneys so borrowed or to be borrowed by the Board shall not at any time exceed Rs. 700 Crores .”

Item No.5. Creation of Charge on the assets of the Company

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and in supersession of the earlier Resolution passed by the Members at their Annual General Meeting on 30th September, 2015, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to mortgage / pledge / hypothecate / assign and / or charge, all or any movable / immovable properties (or any interest therein) both present and future , of the Company for securing the financial facilities / limits to be availed by the Company / its subsidiaries/ associates from time to time from any Bank, Financial Institution/s, Corporate Bodies or any other person(s) in the form of Loans, Inter Corporate Deposits, Debentures, Guarantees or by way of any other instruments by whatever name called together with interest, costs, charges, expenses, and any other moneys payable by the Company subject to the limits approved under section 180 (1) (c) of the Companies Act, 2013.”

By order of the Board of Directors
Manjeera Constructions Limited

Place: Hyderabad
Date: 28.08.2017

Sucharitra Sahoo
Company Secretary
(ACS-37587)

Route map of the venue for AGM



NOTES:

- 1) A Member entitled to attend and vote at the Annual General Meeting (the meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company.
 A proxy is not entitled to speak at the meeting or vote except on poll. The Instrument appointing a proxy to be valid must be duly stamped, executed and deposited at the Registered office of the Company not less than forty-eight hours before commencement of the meeting.
 Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.
- 2) Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting in terms of Section 113 of the Companies Act, 2013.
- 3) In case of joint holding, the joint holder whose name stands first, as per the Company's records, shall alone be entitled to vote.
- 4) Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
- 5) Members who hold shares in dematerialized form are requested to write their Client-ID and DP-ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
- 6) Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the company at # 711, Manjeera Trinity Corporate, Beside Manjeera Mall, JNTU-Hitech City Road, Kukatpally, Hyderabad-500072 on all working days of the company, between 10.00 A.M. and 1.00 P.M up to the date of Annual General Meeting.
- 7) The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 23.09.2017 to Friday, 29.09.2017 (both days inclusive).
- 8) Members are requested to intimate the Registrar and Share Transfer Agents i.e.M/s. XL Softech Systems Limited (RTA) , Plot No. 3, Sagar Society, Banjara Hills, Hyderabad - 500 034, immediately of any change in their address in respect of equity shares held in physical mode and to their Depository Participants (DPs) in respect of shares held in dematerialized form.
- 9) Pursuant to the provisions of Section 72 of Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form-SH-13 (which will be made available on request) to the Registrar & Share Transfer Agents, M/s. XL Softech Systems Limited.
- 10) Members may kindly refer "Corporate Governance Report" (Forms part hereof), for details, about the Directors to be appointed / re-appointed.
- 11) The Ministry of Corporate Affairs, Government of India has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice /documents including Annual Report can be sent by e-mail to its Members. In line with the Ministry's direction your Company intends to send all future communication to members by e-mail including Notices, Annual Report etc., to the e-mail address you have already registered with your respective Depository Participants (DPs). In case you are yet to register your e-mail address, please update the same with your DP. Members holding shares in physical form may register their e-mail address either with the Company or with the Registrar & Share Transfer Agent (RTA) of the Company viz. M/s. XL Softech Systems Limited, Hyderabad. If the e-mail addresses are already registered with the respective DPs/RTA of the Company by the shareholders, it is requested to ensure that registered e-mail ids are current, operative and all the addressed correspondences are received through it.
- 12) All NRI Members of the Company are hereby requested to get their Indian Postal addresses, e-mail ids and bank details with their NRI/NRE account nos. registered with their respective DPs/RTA of the Company, so as to facilitate to provide smooth, faster, cost effective and proper service to them by the Company.
- 13) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ RTA.
- 14) All dividend remaining unclaimed/unpaid for a period of seven years from the date it became due for payment, will be transferred to the Investor Education and Protection Fund established by the Central Government.

The details of dividend paid for the financial year 2009-10 onwards are given below:

| Financial Year | Date of Declaration of Dividend | Due date to transfer to IEPF |
|----------------|---------------------------------|------------------------------|
| 2009-10 | 30.09.2010 | November, 2017 |
| 2010-11 | 30.09.2011 | November, 2018 |
| 2011-12 | 28.09.2012 | November, 2019 |
| 2012-13 | 30.09.2013 | November, 2020 |

Members who have not yet encashed their dividend warrant(s) for the year 2009-10 and /or any subsequent year(s) are requested to write to the Company for revalidation of dividend warrants before such unclaimed dividend is transferred to the Investor Education and Protection Fund without any delay.

- 15) Members are requested not to carry any briefcase, carry bag, shopping bag and the like to the venue since these will not be allowed inside for security reasons. The Meeting is for members or their proxies only. Please avoid being accompanied by non-member/children.
- 16) Members may note that as per the Secretarial Standard-2 notified by Government, no gifts, gift coupons, or cash in lieu of gifts shall be distributed to members at or in connection with the meeting and hence the earlier practice of distribution of packaged items is being discontinued.
- 17) Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The e-voting period will commence from 9.00 a.m. (IST) on 26.09.2017 and will end at 5.00 p.m. (IST) on 28.09.2017. The Company has appointed Mr. S.Sarweswar Reddy, Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder:

PROCEDURE FOR E-VOTING:

Share holders who wish to opt for e-voting can cast their vote by logging on to the CDSL website: <https://www.evotingindia.com> and follow the procedure to login to e-voting website as given below by CDSL for the information of the members:

Log on to the e-voting website www.evotingindia.com

- (i) Click on "Shareholders" tab.
- (ii) Now, select the "Manjeera Constructions Ltd." from the drop down menu and click on "SUBMIT"
- (iii) Now Enter your User ID –
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (iv) Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

- (v) If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|------------------------|--|
| PAN* | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) |
| DOB# | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details# | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. |

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (**Available on the Address label pasted in the cover and/or in the e-mail sent to the members**) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ram Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders

for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the relevant EVSN for the Manjeera Constructions Ltd.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xv) If Demat account holder has forgotten the changed password then, Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-voting can be downloaded from google play store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the Scrutinizer to verify the same.
- (xviii) The voting period begins on 26.09.2017 at 9.00 A.M. (IST) and ends on 28.09.2017 at 5.00.P.M. (IST) During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the 22.09.2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (xix) Since the Company is required to provide members facility to cast their vote by electronic means, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 22.09.2017 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- (xx) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 22.09.2017 for e-voting purpose.
- (xxi) Mr. S.Sarweswar Reddy, Practicing Company Secretary, C.P. No. 7478 has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxii) The Scrutinizer shall
 - (a) Immediately after the conclusion of voting at general meeting, first count the votes
 - (b) Unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company
 - (c) Not later than three days of conclusion of the meeting, make a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing who should countersign the same.

The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.manjeera.com and on the website of CDSL immediately after the result is declared by the chairman. Simultaneously forward the results to the concerned stock exchange and the stock exchange should place the results on its website.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

By order of the Board of Directors

Place: Hyderabad
Date : 28.08.2017

Sucharitra Sahoo
Company Secretary
(ACS-37587)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4:

The shareholders of the Company at their Annual General Meeting held on 30.09.2015 authorized the Board of Directors to borrow monies/ give guarantees to subsidiaries from time to time on behalf of the Company not exceeding Rs. 600 Crores, for the business of the Company.

However keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. Further pursuant to section 180(1) (c) of the Companies Act, 2013, the Board of Directors can exercise the power to borrow/give guarantees to its subsidiaries /associates on behalf of the Company, beyond the aggregate of the paid up capital of the Company and its free reserve only with the consent of the Company by special resolution.

Hence in order to raise additional funds, and give Guarantees to Subsidiaries/ Associates, it was considered essential to revise the borrowing limit including Guarantees to the extent of Rs. 700 Crores under 180(1)(c) of the Companies Act, 2013 as set out in the item no.4 for approval of the Members

The Board proposes the Resolution at Item No. 4 of the Notice for approval of the shareholders by a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.4 of the Notice.

Item No. 5:

In connection with the loans/credit facilities to be availed by the Company/its subsidiaries/associates, as and when required, through various sources for business purposes, the Company might be required to create charges over its assets, properties and licenses by way of hypothecation, mortgage, lien, pledge etc. in favour of its lenders. Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose the whole of the undertaking of the Company subject to the approval of Members in general meeting.

In suppression to the earlier resolution passed by the shareholders in their meeting held on 30.09.2015, the board proposes to increase the limit from 600 crores to 700 crores for approval of the Members

The Board proposes the Resolution at Item No.5 of the Notice for approval of the shareholders by a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.5 of the Notice.

By order of the Board of Directors

**Place: Hyderabad
Date : 28.08.2017**

**Sucharitra Sahoo
Company Secretary
(ACS-37587)**

DIRECTORS' REPORT

To
 The Members
 M/s. Manjeera Constructions Limited
 #711, Manjeera Trinity Corporate,
 Besides Manjeera Mall,
 JNTU- Hitech City Road,
 Kukatpally, Hyderabad-500072

Your Directors have a great pleasure in presenting the 30th Annual Report of your Company along with the Audited Financial Statements for the financial year ended 31st March, 2017.

Financial Highlights

During the year under review, performance of the Company on standalone and consolidated basis is as under:

(Rupees in Lakhs)

| Particulars | Standalone | | Consolidated | |
|---|----------------|----------------|-----------------|-----------------|
| | FY 2016-17 | FY 2015-16 | FY 2016-17 | FY 2015-16 |
| Total Income | 4714.48 | 4071.70 | 20448.47 | 6710.42 |
| Less: Total Expenditure | 3433.67 | 3091.76 | 19043.65 | 5728.55 |
| Profit before Interest, Depreciation and tax | 1280.81 | 979.94 | 1404.82 | 981.87 |
| Less: Interest and Financial Expenses | 699.66 | 310.28 | 1451.73 | 1356.92 |
| Less: Depreciation | 40.75 | 28.86 | 546.95 | 530.29 |
| Profit before tax | 540.40 | 640.79 | (593.86) | (905.34) |
| Tax Expense | | | | |
| Current Tax | 154.77 | 157.59 | 154.77 | 157.59 |
| Tax for Previous Year | 219.60 | (75.11) | 219.60 | (75.11) |
| Deferred Tax | (1.16) | 0.93 | (1.16) | (59.75) |
| Profit/(loss) after Tax | 167.19 | 557.39 | (967.07) | (928.07) |
| Proposed Dividend/Dividend paid | 0.00 | 0.00 | 0.00 | 0.00 |
| Tax on Dividend paid | 0.00 | 0.00 | 0.00 | 0.00 |
| Reserves & Surplus | 7221.69 | 7054.49 | 6437.98 | 7105.84 |
| Paid Up Equity share Capital | 1250.84 | 1250.84 | 1250.84 | 1250.84 |

Operational Performance Review

Your Company on a standalone basis has achieved a turnover of Rs. 4714.48 Lacs as against the turnover of Rs. 4071.70 Lacs in previous year. The net profit after tax stood at Rs.167.19 Lacs as against Rs.557.39 Lacs in the previous year. The Basic Earnings per share for the year ended 31.03.2017 is Rs.1.34 as against Rs.4.46 for the corresponding previous year ended 31.03.2016. The performance on consolidated basis is impacted as the property of Mall is mostly retained and only rents are received by the subsidiary Company, and further due to bad market conditions, the sales of the office spaces is sluggish till recently.

State of Company's Affairs

Your Company as a member of the Consortium jointly with one of its group Company namely "Manjeera Hotels and Resorts Private Limited" has incorporated a special purpose vehicle (SPV) namely Manjeera Hospitality (Rajahmundry) Private Limited on 01st September, 2016 with the sole objective to develop Convention cum Exhibition Centre, Hotel and Mall & Multiplex in line and with terms of the Concession Agreement executed with APTDC, in the city of Rajahmundry, Andhra Pradesh. The work has commenced and the project is under implementation.

Change in Nature of Business

During the period under review, there has been no change in the nature of business of the Company.

Material changes if any affecting the financial position of the Company

There was no material change or commitment affecting the financial position of the Company.

Dividend

With a view to redeploy the profits for current/future business of the Company, the Board of Directors have not recommended the Dividend for the Financial Year 2016-17.

Amounts Transferred to Reserves

No amount is proposed to be carried to General reserves and an amount of Rs. 1.67 Crores is retained as surplus in the Statement of Profit and Loss of Standalone Financials.

Share Capital

The paid up Equity Share Capital of the Company as on 31st March, 2017 is Rs. 12.508 crores. During the year, the Company has neither issued shares with differential voting rights nor granted stock option or sweat equity.

Number of Board Meetings

Regular meetings of the Board were held to review the performance of the Company, to discuss and decide on various business strategies, policies and other issues.

During the Financial year 2016-17, 5 meetings of the Board of Directors of the Company were held on 30.05.2016, 13.08.2016, 24.10.2016, 12.11.2016 and 13.02.2017. The intervening gap between two consecutive meetings was not more than 120 days. Detailed information on the meetings of the Board is included in the Corporate Governance Report which forms part of the Annual Report.

Committees of the Board

In accordance with the Companies Act, 2013 and the Listing requirements, following Committees of the Board continued to discharge their respective functions and Duties:

(a) The Audit Committee comprises of three directors:

- Mr. DLS Sreshti
- Mr. K Krishna Murty
- Mrs. G. Padmaja

The Company Secretary acts as Secretary to the committee. The primary objective of the committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosure, with transparency, integrity and quality of financial reporting.

Composition of Nomination & Remuneration Committee:

(b) The Nomination & Remuneration Committee comprises of three directors:

- Mr. DLS Sreshti
- Mr. K. Krishna Murty
- Mrs. G. Padmaja

The Company Secretary acts as a secretary to the committee. The primary objective of the committee is to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

Stakeholders' Relation Committee:-

The Stakeholders' Relation Committee comprises of two Directors:

- Mr. K. Krishna Murty
- Mr. DLS Sreshti

The Company Secretary acts as a secretary to the committee. The primary objective of the committee is to adopt mechanism for redressing the Shareholders complaints, and review the status of Complaints of the stakeholders if any.

Corporate Social Responsibility Committee:-

The Corporate Social Responsibility Committee comprises of three Directors:

- Mr. K Krishna Murty
- Mr. DLS Sreshti
- Mr. G Yoganand

The Company Secretary acts as a secretary to the committee. The primary objective of the committee take up programmes that benefit the communities over a period of time, in enhancing the quality of life & economic well-being of the local public.

Public Deposits

As per the provisions of Section 73 of the Companies Act, 2013 read along with Companies (Acceptance of Deposits) Rules, 2014,

(a) Your Company has not accepted any deposits from the public and is therefore not required to furnish information in respect of outstanding deposits under Non-Banking Non-Financial Companies (Reserve Bank) Directions, 1966, during the year under review.

(b) The company does not have any unclaimed or unpaid deposits at the end of the year under review or any other previous year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i) Directors:

(a) Mrs. G. Padmaja, the Director of the Company is liable to retire by rotation. Her tenure expires in ensuing Annual General Meeting and being eligible for reappointment at the forthcoming Annual General Meeting of the Company has offered herself for reappointment.

The proposal regarding re-appointment of the aforesaid Director is placed for your approval.

(ii) **Key Managerial Personnel:** During the year under review, Mr. R Venkata Rao, resigned from the position of CFO on 12th November, 2016 and Mrs. Sucharitra Sahoo continued to act as the Company Secretary & Compliance Officer of the Company.

Policy on Directors' Appointment and Remuneration and other Details

The assessment and appointment of members to the Board is based on a combination of criteria that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Board member is also assessed on the basis of independence criteria defined in Section 149 (6) of the Companies Act, 2013, Regulation 27 of SEBI (LODR) Regulations, 2015.

In accordance with Section 178(3) of the Companies Act, 2013, Regulation 19 (4) of SEBI (LODR) Regulations, 2015, on the recommendations of the Nomination and Remuneration Committee, the Board adopted a remuneration policy for Directors, Key Management Personnel (KMPs). The salient aspects covered in the Nomination and Remuneration Policy has been outlined in the Corporate Governance Report which form part of this report.

Statement indicating the manner in which formal annual evaluation has been made by the board of its own performance, its directors, and that of its committees.

Listing Regulations mandate the Board of Listed Companies to monitor and review the Board Evaluation Framework. The Companies Act, 2013 read with Rules issued there under further provides that a formal annual evaluation needs to be made by the Board of its own performance and that of its Committees and Individual Director.

Pursuant to provisions of section 134(p) of the Companies Act 2013, and the corporate Governance requirements as prescribed by Securities and Exchange Board of India (LODR) Regulations, 2015, the Board had carried out annual evaluation of its own performance and that of its committees as well as performance of the Directors individually. In this regard your Board is working with the nomination and remuneration committee to lay down evaluation criteria for performance of executive/non-executive/independent directors.

Receipt of any commission by MD/WTD from Company or receipt of commission/remuneration from its holding or subsidiary.

Details of Remuneration /commission received by MD/WTD from Company, its holding/subsidiary companies is provided in the extract of Annual return in prescribed form MGT 9.

Director's Responsibility Statement

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, your Directors hereby state and confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis; and
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Extract of Annual Return

As required under the provisions of Section 134(3) (a) and of section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of annual return in Form No.MGT-9 forms part of this report as **Annexure I**.

Statutory Auditors

M/s. A.K. Sabat & Co, Chartered Accountants, have been the Statutory Auditors of the Company since F.Y. 2000-01 and their tenure as the Statutory Auditors of the Company will expire with the conclusion of this ensuing AGM, in accordance with Section 139 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Board places on record, its appreciation for the contribution of M/s. A.K Sabat & Co., Chartered Accountants, during their tenure as Statutory Auditors of the Company.

Based on the recommendation of the Audit Committee, the Board of Directors at their meeting held on 28th August, 2017 proposed to appoint M/s. M. Bhaskara Rao & Co having ICAI Firm No FRN-0004595, as Statutory Auditors of the Company for a period of 3 years from the conclusion of this 30th Annual General Meeting till the conclusion of the 33rd Annual General Meeting thereafter, subject to the approval of the members of the Company at the ensuing Annual general Meeting.

The Company has received written consent(s) and certificate(s) of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules issued there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) from M/s. M. Bhaskara Rao & Co. Further, M/s. M. Bhaskara Rao & Co, Chartered Accountants, have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the Listing Regulations.

The Notes on Accounts referred to in the Auditors Report are self-explanatory and therefore do not require any further comments.

The Standalone Financial Statements doesn't contain any qualification, but the auditors of the Subsidiary Company "Manjeera Retail Holdings Private Limited" have expressed following Qualified Opinion, Disclaimer of Opinion and Emphasis of Matter respectively which are reflected in the consolidated financial statements:

Qualified Opinion: Inventory of properties under development as at 31st March, 2017 includes interest cost on the borrowings and other liabilities capitalized to the tune of Rs. 60,41,36,221, which in our opinion, is not consistent with the provisions of Accounting Standard (AS) 16 "Borrowing Cost". Had the Company followed the accounting principles as laid down under AS 16, the loss for the year would have been higher and consequently, the balance of inventory of properties under development and reserves and surplus as at 31st March, 2017 would have been lower by the aforesaid amount.

Disclaimer of opinion: The Company has not established its IFCoFR based on or considering the essential components of internal control stated in the Guidance Note issued by the ICAI. We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer does not affect our opinion on the financial statements of the Company.

Emphasis of Matter: In one subsidiary of the Holding Company, the other auditor who audited the financial statements of the subsidiary has drawn attention to Note 30 (A) (ii)(a) to the accompanying consolidated financial statements which describes the significant uncertainty relating to the outcome of the ongoing negotiations between the Company and the Andhra Pradesh Housing Board in connection with the waivers of certain conditions imposed with respect to the approval for extension of the project completion date. Pending final outcome of these negotiations, no adjustments have been recorded in the accompanying consolidated financial statements.

Cost Auditor

Your Company does not qualify for the eligibility norms of Companies (Cost Records and audit) Rules, 2014 regarding appointment of Cost Auditor for conducting cost audit. Accordingly, Cost Audit was not conducted for the Financial Year 2016-17. However, the company is maintaining adequate cost records as stated under the said rules.

Secretarial audit report

In terms of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board of Directors of your Company at its meeting held on 28th August, 2017 has appointed Mr. Naresh Kumar Chanda, Practicing Company Secretary (CP No. 8153) as Secretarial Auditor to undertake the Secretarial Audit of the Company.

The secretarial Audit Report for the financial year ended 31st March, 2017 is annexed herewith as **Annexure II** to this report.

Particulars of Loans, Guarantees and Investments and Securities

Particulars of loans, investments made, guarantees given or security provided are provided in note no's 13, 14 & 26 to the Standalone financial statements.

Particulars of Contracts/Arrangements with Related Parties

During the financial year 2016-17, your Company has entered into transactions with related parties as defined under Regulation 23 of the SEBI (LODR) Regulations, 2015 and section 2(76) of the Companies Act, 2013 read with Companies (Specifications of definitions Details) Rules, 2014, all of which were in ordinary course of Business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013, read with the Rules issued there under and the Listing Regulations. Further, there were no transactions with related parties which qualify as material transactions under the Listing Regulations.

The details of the related party transactions as per Accounting Standard 18 are set out in Note (32) to the standalone financial Statements forming part of this report.

The particulars of contracts/arrangements made with related parties as required under Section 134(3)(h) of the Companies Act,2013 read with Rule 8(2) of the Companies (Accounts) Rules,2014 is set as **Annexure III**.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo

As the Company is not engaged in the manufacturing activity and at present it carries out the construction activities only, the prescribed information regarding compliance of rules relating to conservation of Energy & Technology absorption pursuant to section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is not provided as the same is not applicable to the Company.

The Company does not have any Foreign Exchange Earnings & Outgo during the financial year and hence provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3)(c) of the Companies (Accounts) Rules, 2014 regarding disclosure of Foreign Exchange Earnings & Outgo is not applicable.

Compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has signed uniform listing agreement with BSE Limited and framed the following policies which are available on Company's website i.e. www.manjeera.com

- i. Code of Conduct for Regulating & Reporting Trading by Insiders and for Fair Disclosure, 2015
- ii. Policy on preservation of Documents
- iii. Risk Management Policy

Details of Subsidiary, Joint Venture or Associates

Manjeera Retail Holdings Private Limited (MRHPL) is a subsidiary of Manjeera Constructions Ltd. (MCL). The Company has inherent skills and resources to develop and execute high - value projects by using innovative technology that creates trends through value engineering.

MTM Estates and Properties Private Limited is a wholly owned subsidiary of MCL. The Company has not yet taken up any business activity.

Other details of Subsidiary companies & Associates are attached as **Annexure IV** in Form AOC-1 to the Directors' report

Significant and Material Orders Passed By the Courts/ Regulators

During financial year 2016-17, there were no significant and / or material orders, passed by any Court or Regulator or Tribunal, which you may impact the going concern status or the Company's operations in future.

Internal Financial Control System

The Companies Act, 2013 has mandated the Company to have a formal framework of Internal Finance Controls (IFC) and has also laid down specific responsibilities on the Board, Audit Committee, Independent Director and Statutory Auditors with regard to IFC.

The Company is well equipped with adequate internal financial controls. The Company has a continuous monitoring mechanism which enables the organization to maintain the same standard of the control systems and in managing any default on timely basis because of strong reporting mechanisms followed by the Company.

The Statutory Auditors of the Company has audited the IFC over Financial Reporting and their Audit Report is annexed as **Annexure – A** to the Independent Auditor's Report under Standalone Financial Statements.

Declaration by Independent Directors

Mr. K. Krishna Murty and Mr. DLS Sreshti are the Independent Directors on the Board of the Company. The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation.

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Section 149 of the Companies Act, 2013 and SEBI Listing Regulations with the Stock Exchange.

Disclosure on establishment of Vigil mechanism

Your Company is committed to ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015 Regulation., to enable the Directors and Employees to report their genuine concerns or grievances.

Policy on Vigil Mechanism is available on the Company's website at the web link www.manjeera.com.

Corporate Social Responsibility (CSR) policy

The Company has constituted Corporate Social Responsibility Committee (CSR) of the Board of Directors in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, and formulated policy of CSR.

The composition of the CSR Committee, average net profits of the Company for the past three financial years, prescribed CSR expenditure and details of amount spent on CSR activities during the year have been disclosed in **Annexure V** to this Report, as mandated under the said Rules.

Particulars of Employees

Table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure VI** to this Report.

During the year none of the employees have received monthly or yearly remuneration more than the limit specified under the Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Management Discussion and Analysis Report

The Management Discussion and Analysis for the year under review, as stipulated under Regulation of the Listing Agreement with Stock Exchange in India forms an integral part of this Annual report and gives details of the overall industry structure, economic developments, performance and state of affairs of your Company is attached as **Annexure VII**.

Report on Corporate Governance

Pursuant to Regulation 34 of the SEBI (LODR) Regulation, 2015, a separate report on Corporate Governance together with a certificate from the Company's Auditors confirming the compliance of conditions of Corporate Governance is attached as **Annexure VIII** to this report.

Employee Relation

During the year under review, your Company enjoyed cordial relationship with employees at all levels.

Risk Management Policy

The Company has a risk management policy in place. The policy works at various levels of the organization. Risk management process has been established and is designed to identify the elements of risk including those that may threaten the existence of the Company.

Policy on Risk Management is available on the Company's website at the web link www.manjeera.com.

Disclosures under sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act 2013

Your Company believes in providing a safe and harassment free workplace for every individual working in Manjeera Constructions Limited's premises through various interventions and practices. The Company endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

In this light, the company has framed a well defined policy on Prevention of Sexual Harassment for an employee and lays down the guidelines for identification, reporting and prevention of undesired behavior.

During the year under review, there were no reported instances of cases filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Secretarial Standards

The Company is in compliance with SS1 & SS2.

Event Based Disclosure

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/ events on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including Sweat Equity Shares), to employees of the Company under any Scheme including ESOS.
3. Significant & material orders passed by the regulators or courts or tribunal
4. Significant orders passed by the authorities which impact the going concern status and Company's operations in future.

Acknowledgement

Your Directors would like to express their sincere appreciation and gratitude for the support and co-operation received from the Central and State Governments, Greater Hyderabad Municipal Corporation, Stock Exchanges, Ministry of Corporate Affairs, Shareholders, Bankers, Financial Institutions, Customers, Suppliers, Contractors and other Associates for their continued support to the Company.

The Company enjoyed very cordial and fruitful relations with the employees during the year under review and the Management wishes to place on record its sincere appreciation of the efforts put in by the Company's executives, staff and workers for achieving reasonable results under demanding circumstances.

For and on behalf of the Board of Directors

Place: Hyderabad
Date : 28.08.2017

G. Yoganand
Managing Director
(DIN 00850735)

K. Krishna Murty
Director
(DIN 01466390)

Annexure - I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st March, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | |
|---|---|
| CIN | L45200AP1987PLC007228 |
| Registration Date | 02/03/1987 |
| Name of the Company | Manjeera Constructions Ltd. |
| Category / Sub-Category of the Company | Company Limited by Shares |
| Address of the Registered office and contact details | # 711, Manjeera Trinity Corporate , Beside Manjeera Mall, JNTU-Hitech City Road, Kukatpally, Hyderabad-500072 |
| Whether listed company | YES |
| Name, Address and Contact details of Registrar and Transfer Agent, if any | XL Softech Systems Ltd., No. 3, Sagar Society, Road no. 2 , Banjara Hills, Hyderabad-34. Ph: 040-23545913/14/15 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|---|------------------------------------|
| 1 | Construction work | Section F, Division 45, Group 452, Sub-class 45201, 45202 and others as applicable. | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary /Associate | % of shares held | Applicable Section |
|---------|---|-----------------------|--------------------------------|------------------|--------------------|
| | Manjeera Retail Holdings Private Limited #711, Manjeera Trinity Corporate, Beside Manjeera Mall, JNTU-Hitech City Road, Kukatpally, Hyderabad - 500072. | U72200TG2000PTC033700 | Subsidiary | 51% | 2(87) |
| | MTM Estates and Properties Private Limited #711, Manjeera Trinity Corporate, Beside Manjeera Mall, JNTU-Hitech City Road, Kukatpally, Hyderabad - 500072. | U70102TG2012PTC084429 | Wholly owned subsidiary | 100% | 2(87) |
| | GM Infra Ventures Private Limited | U70102TG2007PTC053937 | Associate | 36% | 2(6) |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--------------------------|---|----------|-----------|-------------------|---|----------|-----------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| Promoter | | | | | | | | | |
| Indian | | | | | | | | | |
| Individual / HUF | 81,92,321 | - | 81,92,321 | 65.49% | 81,92,321 | - | 81,92,321 | 65.49% | 0.00% |
| Central Govt | | | | | | | | | |
| State Govt(s) | | | | | | | | | |
| Bodies Corp | 10,76,256 | - | 10,76,256 | 8.60% | 10,76,256 | - | 10,76,256 | 8.60% | 0.00% |
| Banks / FI | | | | | | | | | |
| Any Other | | | | | | | | | |
| Sub-total(A)(1):- | 92,68,577 | - | 92,68,577 | 74.10% | 92,68,577 | | 92,68,577 | 74.10% | 0.00% |
| Foreign | | | | | | | | | |
| NRIs-Individuals | | | | | | | | | |
| Other-Individuals | | | | | | | | | |

| | | | | | | | | | |
|---|-------------|----------|-------------|--------|-------------|----------|-------------|--------|--------|
| Bodies Corp. | | | | | | | | | |
| Banks / FI | | | | | | | | | |
| Any Other.... | | | | | | | | | |
| Sub-total (A)(2):- | - | - | - | - | - | - | - | - | - |
| Total Promoter Shareholding (A)=(A)(1)+ (A)(2) | 92,68,577 | - | 92,68,577 | 74.10% | 92,68,577 | - | 92,68,577 | 74.10% | 0.00% |
| Public Shareholding | | | | | | | | | |
| Institutions | | | | | | | | | |
| Mutual Funds | | | | | | | | | |
| Banks / FI | | | | | | | | | |
| Central Govt | | | | | | | | | |
| State Govt(s) | | | | | | | | | |
| Venture Capital Funds | | | | | | | | | |
| Insurance Companies | | | | | | | | | |
| FIs | | | | | | | | | |
| Foreign Venture Capital Funds | | | | | | | | | |
| Others (specify) | | | | | | | | | |
| Sub-total (B)(1) | - | - | - | - | - | - | - | - | - |
| 2. Non Institutions | | | | | | | | | |
| Bodies Corp. (i) Indian (ii) Overseas | 6,83,626 | - | 6,83,626 | 5.47% | 6,89,751 | - | 6,89,751 | 5.51% | 0.04% |
| Individuals | | | | | | | | | |
| (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 2,28,934 | 1,42,215 | 3,71,149 | 2.97% | 2,25,840 | 1,41,651 | 3,67,491 | 2.94% | -0.03% |
| (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 19,88,920 | 1,76,993 | 21,65,913 | 17.32% | 19,85,897 | 1,76,993 | 21,62,890 | 17.29% | -0.03% |
| Others(Specify) | | | | | | | | | |
| c) i) NRI's | 7,610 | 11,500 | 19,110 | 0.15% | 8,209 | 11,500 | 19,709 | 0.16% | 0.01% |
| c) ii) Clearing Members | 43 | - | 43 | 0.00% | 0 | - | 0 | 0.00% | -0.00% |
| Sub-total (B)(2) | 29,09,133 | 3,30,708 | 32,39,841 | 25.90% | 29,09,697 | 3,30,144 | 32,39,841 | 25.90% | 0.00 % |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 29,09,133 | 3,30,708 | 32,39,841 | 25.90% | 29,09,697 | 3,30,144 | 32,39,841 | 25.90% | 0.00 % |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 1,21,77,710 | 3,30,708 | 1,25,08,418 | 100% | 1,21,78,274 | 3,30,144 | 1,25,08,418 | 100% | 0.00% |

ii. Shareholding of Promoters

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|--------|---|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| | G Yoganand | 68,50,946 | 54.77% | 9.59% | 68,50,946 | 54.77% | 9.59% | - |
| | G Padmaja | 8,54,750 | 6.83% | - | 8,54,750 | 6.83% | - | - |
| | Gajjala Investments and Holdings Private Ltd. | 8,24,979 | 6.60% | - | 8,24,979 | 6.60% | - | - |
| | G Yoganand (HUF) | 4,86,625 | 3.89% | - | 4,86,625 | 3.89% | - | - |
| | Manjeera Estates Private Limited | 1,54,894 | 1.24% | - | 1,54,894 | 1.24% | - | - |
| | Manjeera Hotels and Resorts Private Limited | 96,383 | 0.77% | - | 96,383 | 0.77% | - | - |
| | Total | 92,68,577 | 74.10% | 9.59% | 92,68,577 | 74.10% | 9.59% | - |

iii. Change in Promoters' Shareholding (please specify, if there is no change): No Changes

iv. Shareholding pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-----------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | Komaravelly Shiva Kumar | | | | |
| | At the beginning of the year | 3,45,738 | 2.76 | 3,45,738 | 2.76 |
| | Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ decrease | - | - | - | - |
| | At the End of the year (as on 31.03.2017) | 3,45,738 | 2.76 | 3,45,738 | 2.76 |
| 2. | Bharathi Infraprojects Private Limited | | | | |
| | At the beginning of the year | 3,06,383 | 2.45 | 3,06,383 | 2.45 |
| | Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ decrease | - | - | - | - |
| | At the End of the year (as on 31.03.2017) | 3,06,383 | 2.45 | 3,06,383 | 2.45 |
| 3. | Sri Sai Venkat Financial Services Private Limited | | | | |
| | At the beginning of the year | 1,55,693 | | 1,55,693 | 1.24 |
| | Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ decrease | Purchase of 10,086 shares | | 1,65,779 | 1.33 |
| | At the End of the year (as on 31.03.2017) | 1,65,779 | | 1,65,779 | 1.33 |
| 4. | S Suhasini Guptha | | | | |
| | At the beginning of the year | 89,197 | | 89,197 | 0.71 |
| | Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ decrease | Sale of 654 shares | | 88,543 | 0.70 |
| | At the End of the year (as on 31.03.2017) | 88,543 | | 88,543 | 0.70 |
| 5. | Suresh S V Chaitanya Guptha | | | | |
| | At the beginning of the year | 82,751 | | 82,751 | 0.66 |
| | Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ decrease | Sale of 1,404 shares | | 81,347 | 0.65 |
| | At the End of the year (as on 31.03.2017) | 81,347 | | 81,347 | 0.65 |

| | | | | |
|--|--------------------------|--|------------------|--------------|
| 6. Vasantha Kumari Sakkari | | | | |
| At the beginning of the year | 64,096 | | 64,096 | 0.51 |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease | . | | . | |
| At the End of the year (as on 31.03.2017) | 64,096 | | 64,096 | 64,096 |
| 7. R Suresh Guptha | | | | |
| At the beginning of the year | 63,409 | | 62,329 | 0.50 |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease | Sale of 1080 shares | | 62,359 | 0.50 |
| At the End of the year (as on 31.03.2017) | 62,329 | | 62,329 | 0.50 |
| 8. Srinivas Kura | | | | |
| At the beginning of the year | 61,330 | | 61,330 | 0.49 |
| Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ decrease | - | | - | - |
| At the End of the year (as on 31.03.2017) | 61,330 | | 61,330 | 0.49 |
| 9. Domakonda Kiran Kumar | | | | |
| At the beginning of the year | 61,000 | | 61,000 | 0.49 |
| Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ decrease | - | | - | - |
| At the End of the year (as on 31.03.2017) | 61,000 | | 61,000 | 0.49 |
| 10. Lexicon Finance Limited | | | | |
| At the beginning of the year | 39,287 | | 39,287 | 0.31 |
| Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ decrease | Purchase of 21659 shares | | 60,946 | 0.49 |
| At the End of the year (as on 31.03.2017) | 60,946 | | 60,946 | 0.49 |
| Total | 12,68,884 | | 12,97,491 | 10.37 |

v. Shareholding of Directors and Key Managerial Personnel:

| Sr. no | Shareholder's Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|--------------------|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. Mr. G. Yoganand | | | | | |
| At the beginning of the year | | 68,50,946 | 54.77 | 68,50,946 | 54.77 |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc): | | - | - | - | - |
| At the End of the year | | 68,50,946 | 54.77 | 68,50,946 | 54.77 |
| 2. G. Padmaja | | | | | |
| At the beginning of the year | | 8,54,750 | 6.83 | 8,54,750 | 6.83 |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc): | | - | - | - | - |
| At the End of the year | | 8,54,750 | 6.83 | 8,54,750 | 6.83 |
| 3. K. Krishna Murty | | | | | |
| At the beginning of the year | | 7,785 | 0.062 | 7,785 | 0.062 |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus / sweat equity, etc): | | - | - | - | - |
| At the End of the year | | 7,785 | 0.062 | 7,785 | 0.062 |

| | | | | |
|--|---|---|---|---|
| 4. DLS Sreshti | | | | |
| At the beginning of the year | - | - | - | - |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus / sweat equity, etc): | - | - | - | - |
| At the End of the year | - | - | - | - |
| 5. P.R R V V N E Prasad Raju (Chief Financial Officer) | | | | |
| At the beginning of the year | - | - | - | - |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus / sweat equity, etc): | - | - | - | - |
| At the End of the year | - | - | - | - |
| 6. Sucharitra Sahoo (Company Secretary) | | | | |
| At the beginning of the year | - | - | - | - |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus / sweat equity, etc): | - | - | - | - |
| At the End of the year | - | - | - | - |

V. INDEBTEDNESS

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

| | Secured Loans excluding deposits | Unsecured | Deposits | Total |
|---|----------------------------------|---------------------|----------|---------------------|
| | | Loans | | Indebtedness |
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 29,48,80,297 | 20,35,66,293 | - | 49,84,46,590 |
| ii) Interest due but not paid | 71,50,445 | 17,16,161 | - | 73,22,061 |
| iii) Interest accrued but not due | 22,352 | 73,973 | - | 96,325 |
| Total (i+ii+iii) | 30,20,53,094 | 20,38,11,882 | - | 50,58,64,976 |
| Change in Indebtedness during the financial year | | | | |
| - Addition | 30,62,47,928 | 44,15,50,974 | - | 74,77,98,680 |
| - Reduction | (25,02,14,944) | (30,49,50,595) | - | (55,51,65,539) |
| Net Change | 5,60,32,762 | 13,66,00,379 | - | 19,26,33,141 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 35,45,71,064 | 34,00,40,163 | - | 69,46,11,227 |
| ii) Interest due but not paid | 34,94,488 | - | - | 34,94,488 |
| iii) Interest accrued but not due | 20,304 | 3,72,098 | - | 3,92,402 |
| Total (i+ii+iii) | 35,80,85,856 | 34,04,12,261 | - | 69,84,98,117 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sl.No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | Total Amount |
|--------|---|-------------------------|---|---|---|--------------|
| | Gross salary | | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 18,00,000 | - | - | - | 18,00,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | - | - | - |
| | Stock Option | - | - | - | - | - |
| | Sweat Equity | - | - | - | - | - |
| | Commission | | | | | |
| | - as % of profit | | | | | |
| | - Others, specify. | | | | | |

| | | | | | | |
|--|------------------------|------------------|---|---|---|------------------|
| | Others, please specify | - | - | - | - | - |
| | Total (A) | 18,00,000 | | | | 18,00,000 |
| | Ceiling as per the Act | | | | | |

B. Remuneration to other directors:

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | Total Amount |
|---------|--|-------------------------|--|--|--|---------------|
| | Independent Directors (Mr. DLS Sreshti & Mr. Krishna Murty) - Fee for attending board committee meetings - Commission - Others, please specify | 40,000 | | | | 40,000 |
| | Total (1) | | | | | |
| | Other Non-Executive Directors (Mrs. G.Padmaja & Mr. G. Vivekanand) - Fee for attending board committee meetings - Commission - Others, please specify | 30,000 - - | | | | 30,000 |
| | Total (2) | | | | | |
| | Total (B)=(1+2) | 70,000 | | | | 70,000 |
| | Total Managerial Remuneration | | | | | |
| | Overall Ceiling as per the Act | | | | | |

C. Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|--|--------------------------|-------------------|-----------------|------------------|
| | | CEO | Company Secretary | CFO | Total |
| | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | 3,46,084 | 8,25,342 | 11,71,426 |
| | Stock Option | | - | - | - |
| | Sweat Equity | | - | - | - |
| | Commission - as % of profit - Others, specify... | | - | - | - |
| | Others, please specify | | - | - | - |
| | Total | | 3,46,084 | 8,25,342 | 11,71,426 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the companies Act | Brief description | Details of Penalty / Punishment / Compounding fees imposed | Authority [RD / NCLT / Court] | Appeal made. If any (give details) |
|------------------------------|------------------------------|-------------------|--|-------------------------------|------------------------------------|
| A. Company | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| B. Directors | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| C. Other Officers In Default | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |

Annexure - II

Secretarial Audit Report for the Financial Year Ended March 31, 2017

[Pursuant to Section 204(1) of Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
 The Members,
 M/s. Manjeera Constructions Limited
 Hyderabad

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **Manjeera Constructions Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2017** (hereinafter called the "audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2017** and made available to me, according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder (to the extent notified and applicable) and the Companies Act, 1956 (to the extent applicable);
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
Not applicable as the company is not having any Overseas Direct Investment and joint ventures.
- V. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
Not applicable as the Company did not issue any securities during the audit period
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
Not applicable as the Company has not granted any options to its employees during the audit period
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
Not applicable as the Company has not issued any debt securities during the audit period
 - f) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

The Company has duly appointed a SEBI Authorized Category I Registrar and Share Transfer Agent as required under the law.
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and No delisting was done during the audit period
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
Not applicable as the Company has not bought back any of its securities during the audit period

I have also examined compliance with the applicable clauses of the following:

- I. The Secretarial Standards issued by The Institute of Company Secretaries of India which came into effect from 01.07.2015;
- II. The Listing Agreements entered into by the Company with:
 - a. BSE Limited (which were applicable up to 30.11.2015);

- b. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (applicable from 01.12.2015); and
- c. Uniform Listing Agreement entered with BSE Limited (applicable from 23.03.2016).

I report that, during the year under review, the Company has complied with the provisions of the acts, rules, regulations, guidelines, standards and listing agreements mentioned above.

I further report that, based on the industry of the company and on examination of the relevant documents and records the Company has complied with the concerned laws and statutory provisions to the extent applicable thereunder.

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws like Economic Laws, Labour Laws and Environmental Laws.

I further report that, the compliance by the Company of applicable financial laws are not reviewed since the same have been subject to reviewed under statutory audit.

I further report that, the Board of Directors of the Company is duly constituted. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Place : Hyderabad
Date : 29.08.2017

Naresh Kumar Chanda
Company Secretary in Practice
FCS No. 6092, CP No. 8153

This report is to be read with my letter of even date which is annexed as *Annexure – A* and forms an integral part of this report.

Annexure - “A”

To
The Members,
M/s. Manjeera Constructions Limited
Hyderabad

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed, provide a reasonable basis for my opinion.
4. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
5. Where ever required, I have obtained management representation about the compliance of laws, rules, regulations, guidelines and happening of events, etc.
6. The compliance of the provisions of corporate and other applicable laws, rules, regulations, guidelines, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Hyderabad
Date : 29.08.2017

Naresh Kumar Chanda
Company Secretary in Practice
FCS No. 6092, CP No. 8153

Annexure - III

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transactions entered in to during the year ended March, 31, 2017, which were not on Arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis during the year.

| SL. No | Name (s) of the related party & nature of relationship | Nature of contracts/ arrangements/ transaction | Duration of the contracts/ arrangements/ transaction | Salient terms of the contracts or arrangements or transaction including the value, if any | Amount paid as advances during the year, if any |
|--------|---|--|--|---|---|
| 1 | Manjeera Retail Holdings Private Limited (Subsidiary Company) | Loan given by Company | Short Term Loan | 18% p.a interest. | NIL |

For and on behalf of the Board of Directors

Place: Hyderabad
Date : 28.08.2017

G. Yoganand
Managing Director
(DIN 00850735)

K. Krishna Murty
Director
(DIN 01466390)

Annexure - V

Annual Report on Corporate Social Responsibility (CSR) Activities (Pursuant to Rule 8 (1) of Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The CSR Policy is available in the Company's website, www.manjeera.com

The core theme of the Company's CSR policy is giving back to the society from which it draws its resources by extending helping hand to the needy and the underprivileged. In alignment with vision of the company, through its CSR initiatives will continue to enhance value creation in the society, through its services.

Manjeera Constructions Limited is a Construction and real estate Company engaged in the business of Construction of residential and commercial buildings mostly in the state of Telangana. Therefore, the Company would like to give preference to the areas in the states of Telangana for spending the amount allocated for CSR activities.

We are working on areas like promoting education, employment, and entrepreneurship through:

'Vasavi Foundation for Empowerment' – It will access each individual's needs, and will provide financial support for education, boarding and lodging; training for personality development; communication and presentation skills; etc.

2. The Composition of the CSR Committee :

- Mr. K Krishna Murty
- Mr. G Yoganand
- Mr. DLS Sresthi

3. **Average Net Profit of the Company for the last three financial year:** Rs. 296.56 Lakhs

4. **Prescribed CSR Expenditure (2% of the amount as in item 3 above):** Rs. 5.93 Lakhs

5. **Detail of CSR spent during the Financial Year :** 6 Lakhs

a) Total amount to be spent for the financial year : Rs. 6 Lakhs

b) Amount unspent , if any : N.A

c) Manner in which the amount spent during the financial year is detailed below:

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|--------|--|--|--|---|--|---|--|
| Sl. No | CSR project/ activity identified | Sector in which the project is covered | Projects/ Programs (1) Local area or others (2) Specify the state and district where project or programs were undertaken | Amount of outlay budget project or program wise (Rs.) | Amount spent on the project or programs Subheads: (i) Direct expenditure on projects or programs (2) Over-heads (Rs) | Cumulative expenditure up to the reporting period (Rs.) | Amount spent direct or through implementing agency |
| 1 | Providing support to brilliant and meritorious students who have limited financial means. | Promoting Education | Telangana & Andhra Pradesh | | 2 Lakhs | 2 Lakhs | Through implementing Agency |
| 2. | Providing Financial Support and training for skills in communications, interviews, etc. to persons who have an excellent academic record and preparing for Central or State services through reputed coaching institutions | Promoting Employment | Telangana & Andhra Pradesh | | 2 Lakhs | 2 Lakhs | Through implementing Agency |
| 3. | Organize special training programs by experienced trainers, focused on soft skills at different places to enable all those interested to join and benefit from such training. | Promoting Skill Development | Telangana & Andhra Pradesh | | 2 Lakhs | 2 Lakhs | Through implementing Agency |
| | Total | | | | 6 Lakhs | 6 Lakhs | |

6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.** N.A

7. **The Chairman of the CSR Committee has given a responsibility statement on behalf of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.**

Place : Hyderabad
Date : 28/08/2016

G Yoganand
(Managing Director)

K. Krishna Murty
(Chairman-CSR Committee)

Annexure - VI

(A) Details /Disclosures of Ratio of Remuneration to each Director and KMP (Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014):

| S No. | Requirement | Disclosure | | | | |
|---|--|---|-----------------------|-----------------------------------|-----------------------------|----------------------|
| 1 | The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year; | Name of Director | Sitting fees | Salaries & Perquisites | Total | Ratio (Times) |
| | | G Yoganand | | 18,00,000 | 18,00,000 | 9.52 |
| | | K Krishna Murty | 22,500 | - | 22,500 | 0.12 |
| | | DLS Sreshti | 17,500 | - | 17,500 | 0.09 |
| | | G Padmaja | 15,000 | - | 15,000 | 0.08 |
| | | G Vivekanand * | 15,000 | - | 15,000 | 0.08 |
| * Mr. G Vivekanand has resigned with effect from 8th March,2017 | | | | | | |
| 2 | The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year; | CFO- 15 %, Managing Director-NIL, Company Secretary-10% | | | | |
| 3 | The percentage increase in the median remuneration of employees in the financial year; | 2016-17 | 2015-16 | Increase (%) | | |
| | | 1,89,111 | 1,65,210 | 14.47 | | |
| 4 | The number of permanent employees on the rolls of company; | There were 60 employees as on 31st March 2017 | | | | |
| 5 | The explanation on the relationship between average increase in remuneration and company performance; | Financial performance of the Company & inflation. | | | | |
| 6 | Comparison of the remuneration of the Key Managerial Personnel against the performance of the company; | Salary of Managerial Personnel is 18.26 % of Profit | | | | |
| | | Salary of Managerial Personnel is 0.65 of Net Sale | | | | |
| 7 | Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year; | Particulars | 2016-17 | 2015-16 | Increase/ (Decrease) | |
| | | Market Capitalisation | 6235.45 Lacs | 6116.62 Lacs | 1.94 | |
| | | Price Earning Ratio | 37 | 11 | 239.3 | |
| 8 | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; | Salary increase of Managerial personnel -13.67 % | | | | |
| | | Salary increase of other than Managerial personnel increased by 12.82 % | | | | |
| 9 | Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company; | | Mr. G Yoganand | Mr. R Venkata Rao | Ms. Sucharitra Sahoo | |
| | | Remuneration in FY 2016-17 (Rs. In Lacs) | 18 | 9 | 3.52 | |
| | | Remuneration as % of Revenue | 0.38 | 0.16 | 0.07 | |
| | | Remuneration as % of PBT | 3.33 | 1.42 | 0.65 | |

| | | |
|----|--|---|
| 10 | The key parameters for any variable component of remuneration availed by the directors; | Nil |
| 11 | The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and | 1:1.12 |
| 12 | Affirmation that the remuneration is as per the remuneration policy of the company. | It is affirmed that the remuneration is as per the remuneration policy of the Company |

(B) Statement showing Details of Employees of the Company as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: Not Applicable

For and on behalf of the Board of Directors

Place:Hyderabad
Date :28.08.2017

G. Yoganand
Managing Director
(DIN 00850735)

K. Krishna Murty
Director
(DIN 01466390)

Annexure - VII

Management Discussions & Analysis Report

Overview of Indian Economy

The year 2016-17 was marked by couple of important developments in the Indian economy. The passage of constitutional amendment, paving way for implementation of Goods and Services Tax (GST) and cancellation of the legal tender of high denomination notes of Rs 500 and Rs 1000 i.e. Demonetization. Demonetization had a short-term impact on the economy but it is expected to benefit in the long run by the way of boost for digital payments etc. On the other hand, GST would play a bigger role in shifting large part of unorganized market to organized market, which is also expected to improve tax compliance and is expected to boost investment and growth.

The improvement in India's economic fundamentals were continued to improve in the year gone by with the combined impact of strong government reforms, RBI's inflation focus supported by stable global commodity prices.

Indian economy is expected to grow at 7.1 per cent during FY 2017-18. The growth is expected to return to normal after demonetization shock. The factors which would be responsible for the growth are normal monsoon, increase in exports because of recovery in the global markets and the key policy reforms by the Government. The crude prices have started inching up which would have some dampening effect on the economy.

Industry Structure

The real estate sector is a key driver of the Indian economy and one of the most globally recognised sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade. It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the Long term.

The Indian real estate market is expected to touch US 853 billion by 2028 from USD 126 billion in 2015. The real estate contribution to India's GDP is expected to be 13% in 2028. The real estate market is expected to grow at CAGR of 15.2% during FY08 to FY28. The growth drivers are Urbanization, Policy support, Easier financing options, Lower interest rate, increasing household income etc. Retail, hospitality and commercial real estate are also growing, providing the much-needed infrastructure for India's growing needs.

2016 has been an eventful year for Indian real estate sector from a perspective of policy initiatives. The various regulations such as Benami Property transaction prohibition Act, Real estate regulatory authority (RERA), GST, which are expected to boost confidence among buyers, which over the years remained saddled with unethical practices. It is also expected to provide much needed legal cushion to the buyers since real estate developers will be accountable for provide timely delivery to buyers.

Outlook

The real estate and construction activity in and around Hyderabad is in a growing pace particularly in residential and commercial sectors and it has become a favorite hub for investors as the city has not only provided quality infrastructure for property investments but also added attractions like special economic zones, industrial parks, IT campuses, and a new international airport to its credit.

However the cascading effect of demonetisation, GST and RERA in 2017 has impacted the real estate sector in the city with property prices not easing in the coming months. The city has low inventory of property than other metros in the country that are yet to be sold. Most of the big projects in the city are still under construction.

Both Telangana and AP have low VAT taxes. GST is set at 12 per cent but a 6-7 per cent property value for stamp duty, a two per cent property value for transfer fee and 0.5 per cent as registration fee would result in the buyer paying close to 21.5 per cent in taxes, say experts. With roll out of GST and RERA in 2017, the prices of Real Estate are expected to go up.

However, in time to come, Real Estate Industry is bound to boom. Affordable interest rates for customers will continue. More housing schemes are likely to be taken up to ease the shortage for the populous state. Builders employing technology, trained workforce, innovation, maintaining quality and timely delivery will remain in the market.

Developments

Construction work for corporate / commercial spaces of the Company witnessed fair demand and recorded good sales during 2016-17.

The businesses of the Company are also focusing on the improved execution efficiencies, cost competitiveness and better services to existing & potential customers.

The key aspects of business philosophy of Manjeera group are on-time delivery; cost competitiveness, high quality standards with focus on best in class Healthy Safety Environment. Integrated strengths coupled with experienced and highly skilled work force, are the key enablers in delivering critical and complex projects. Manjeera Group has managed to create several landmark projects in residential, commercial, retail and hospitality sectors. The projects developed by the Company mostly to the middle and high income groups. Having made its mark in the city of its birth, Manjeera is now expanded into other cities like

Bengaluru, Vijayawada, Rajahmundry and Bhubaneswar and is weighing its options for foraying into infrastructural, activities. Its projects stand as hallmarks of quality construction, clear titles and value for money.

Segment-Wise Performance

The Company is primarily engaged in construction activities and is managed organizationally, the Company is a 'single business segment Company'.

Strengths and Opportunities

- Wide range of expertise spanning over 30 years in the construction sector, professional and competent senior management team.
- Well established brand recognition and goodwill owing to innovative marketing strategies, wide range of expertise spanning over 30 years in the construction sector, professional and competent senior management team.
- Diversified product mix ranging across residential, commercial and retail and proposed entry into hospitality.
- Strategically located projects with high selling potential., Identifying customer requirements and developing quality products with active post
- Identifying customer requirements and developing quality products with active post completion follow up and assistance.
- The Company's brand image has increased manifold during the year under review, owing to aggressive marketing campaigns through various media and participation in several property shows and events both in the city and abroad.
- The new Acts "RERA" and GST will improve our prospects for a better market share.

Weaknesses and Threats

- Bureaucracy causing delay in approvals and change in policies.

Risks and Concerns

The Company has taken suitable measures to mitigate the various risks associated with its operational activities. Adequate insurance policies have been taken to protect health, safety of its employees, limit the property loss of the residential and commercial buildings. Growth and demand is dependent on general economic conditions and a decline can adversely affect the Company's business and its earnings. Increasing competition from domestic and international construction companies affect market share and profitability. Uncertainties with Government policies can significantly affect operations. The Company has developed built-in systems & procedures for handling risks in carrying out the business to the best advantage of all stakeholders to improve the shareholder value and to ensure continuity of business.

Internal Control Systems

The growing business activities call for a constant review of the efficacy of the Company's internal control mechanism. To facilitate this, the Company had implemented ERP Solution i.e. QNeon which would support adequate systems of internal control to check various aspects of business. The Company has an internal process to facilitate formulation and revision of policies and guidelines to align with the changing needs.

Financial Performance & Operational Review

Your Company on a standalone basis has achieved turnover of Rs. 4714.48 Lacs as against the turnover of Rs. 4071.70 Lacs in previous year. The net profit after tax stood at Rs. 167.20 Lacs as against Rs. 557.39 Lacs in the previous year. The Basic Earnings per share for the year ended 31.03.2017 is Rs.1.34 as against Rs.4.46 for the corresponding previous year ended 31.03.2016. The performance on consolidated basis is impacted as the property of Mall is mostly retained by the subsidiary Company, and further due to bad market conditions, the sales of the office spaces is sluggish till recently.

With a view to redeploy the profits for business development of the Company, the Board of Directors has decided not to declare the dividend for the financial year 2016-17.

Details of Projects

All the Company's ongoing and completed projects are based in Hyderabad, Vijayawada, Rajahmundry and Bhubaneswar. The Company has developed several landmark projects, both residential and commercial.

Brief details of the ongoing projects are given hereunder:

| Project | Location | Total Area (Sft.) (approx.) |
|--|-------------------------|-----------------------------|
| Purple Town Villas | Gopanpally - Gachibowli | 1,56,910 |
| Manjeera Monarch | Vijayawada | 8,51,429 |
| Rajahmundry mixed use Development Project (just started) | Rajahmundry | 4,93,114 |
| Construction of Apartments at CGEWHO - Bhubaneswar | Bhubaneswar | 3,16,000 |

Human Resources and Industrial Relations

The Company's Human Resource philosophy is to establish, build and retain a strong performance and competency driven culture with greater sense of accountability and responsibility. The Company has been focused to create an environment that assists the employees to enhance their sense of pride in what they are doing thereby contributing to better productivity. The Company through its effective and dynamic HR policies and systems has always encouraged its workers to innovate and apply new ideas so as to achieve quantum leaps in both size and scale of operations.

The Company believes that its real strength lies in the commitment and quality of its people. Employees are provided opportunity to grow and prosper. The authority and responsibility chain is clearly defined and the employees are free to convey their ideas and suggestions to their superiors. Team meetings are held at frequent intervals to improve communication and interactions between the employees. Industrial relations remained stable throughout the financial year 2016-17.

As on 31st March 2017, the number of people employed by the Company was 60.

Corporate Social Responsibility (CSR)

Your Company is committed to conduct business in an accountable manner that creates a sustained positive implication in society and also it endeavours to make a positive contribution towards social cause. Your Company in association with the Vasavi Foundation for Empowerment engages in promoting Education, Employment and Skill Development for brilliant and meritorious students who have limited financial means, further in collaboration with Rotary Club and the Round Table organizes Health & Blood Donation Camps. The Health camps provide medicines and also follow up in the hospitals.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic conditions affecting price conditions in the domestic market in which the Company operates or changes in the Government Regulations, Tax Laws and other Statutes or other incidental factors.

Annexure - VIII

REPORT ON CORPORATE GOVERNANCE

A report for the Financial Year ended March 31, 2017 on the compliance by the Company with Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is furnished below.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to achieve highest standards of Corporate Governance on a continuous basis. The Company's philosophy on Corporate Governance is aimed at the attainment of transparency, accountability and compliance of laws in all facets of operations. This has enabled your Company to earn the trust and goodwill of its investors, business partners, employees. Our employee satisfaction is reflected in the stability of our Senior Management and substantially higher productivity.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company's 'Corporate Governance Report is given below:

2. BOARD OF DIRECTORS

a) Composition of the Board

- i. In consonance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company's Board is constituted with appropriate of executive and non-executive Directors to maintain its independence and to exercise effective governance and control over its executive functioning. The Company's Board of Directors comprises of total four Directors, two of which are Independent Directors and one Managing Director and one non-executive woman Director. The Managing Director is responsible for the conduct of the Business and the day-to-day affairs of the Company. Two-thirds of total number of Directors (excluding Independent directors) retire by rotation. The Directors possess wide range of experience in diverse fields and bring in technical and financial expertise.
- ii. None of the Directors are disqualified for their office as per the provisions of Section 164 of the Companies Act 2013 and the Company has obtained declarations from all the directors to this effect.
- iii. During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees and commission.
- iv. The information as required in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being regularly placed before the Board.
- v. The Board normally meets four times in a year and also as and when required. The Board has duly met five times in the year under review, on 30.05.2016, 13.08.2016, 24.10.2016, 12.11.2016, 13.02.2017. The time gap between two Board Meetings has not exceeded the limit of one hundred and twenty days as specified under SEBI (LODR) Regulations, 2015 with the Stock Exchanges.
- vi. Details of attendance of Directors at Board Meetings, last Annual General Meeting and the details of other Directorships and Memberships/Chairmanships of Committees of each Directorship in other Companies for the year ended 31.03.2017 are furnished below. Further none of them is member of more than ten committees or Chairman of more than of five committees across all the public Companies.

| Name of the Director | Category of Directorship and Designation | Attendance Particulars | | No. of Other Directorships and Committee Memberships/Chairmanships in other Public Limited Companies | | |
|-----------------------|--|------------------------|----------|--|-------------|---------------|
| | | Board Meetings | Last AGM | Directorships* | Memberships | Chairmanships |
| Mr. G. Yoganand | Promoter, Executive Chairman and Managing Director | 5 | Yes | Nil | Nil | Nil |
| Mr. K. Krishna Murty | Independent Non-Executive Director | 5 | Yes | Nil | Nil | Nil |
| Mr. D. L. S. Sreshti# | Independent Non-Executive Director | 4 | Yes | 1# | Nil | Nil |
| Mr. G. Vivekanand@ | Non-Executive Director – International Marketing | 4 | No | Nil | Nil | Nil |
| Mrs. G. Padmaja | Non-Executive Women Director | 3 | Yes | Nil | Nil | Nil |

* This excludes Directorships held in Foreign Companies, Private Companies and Alternate Directorships.

Mr. DLS Sreshti is a Director in M/s. Tibrewala Electronics Ltd.

© Mr. G Vivekanand has resigned with effect from 8th March, 2017

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company: www.manjeera.com

- vii. During the year, the Independent Directors met once on February 10, 2017, without the presence of non-Independent Director and the members of the Management. Independent Directors at their meeting, reviewed the performance of non-independent Directors and the Board as whole and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board, for the Board to effectively and reasonably perform their duties. All the Independent Director attended the meeting.

Committees of the Board:

The Board has constituted 3 standing Committees to focus on specific functions and to facilitate the decision making process. The Company Secretary acts as the Secretary to the Meetings and the Minutes of the committees are duly reviewed by the Board.

Details of the Committees, relationship inter se and their Membership are provided hereunder:

| Name of the Director | Name of the Committee | | | Relationship with each other |
|----------------------|-----------------------|-------------------------------------|---------------------------|--|
| | Audit Committee | Stakeholders Relationship Committee | Nomination & Remuneration | |
| Mr. G.Yoganand | No | No | No | Husband & Father of Mrs. G Padmaja & Mr. G Vivekanand respectively |
| Mr. G. Vivekanand | No | No | No | Son of Mr. G Yoganand & Mrs. G Padmaja |
| Mrs. G. Padmaja | Yes | No | Yes | Wife and mother of Mr. G Yoganand & Mr. G Vivekanand respectively |
| Mr. K. Krishna Murty | Yes | Yes | Yes | ** |
| Mr. D.L.S. Sreshti | Yes | Yes | Yes | |

1. None of the Directors on the Board is a Member of more than Ten Committees nor was the Chairman of more than five Committees across all Companies in which they are Directors.

** No inter-se relationship with any of the Directors of your Company.

The shareholding of the Non-Executive Directors of your Company as on 31st March, 2017 is as follows:

| Name of the Director(s) | Nature of Directorship | No. of shares held | Percentage to the paid up share capital |
|-------------------------|-------------------------------------|--------------------|---|
| Mr. K.Krishna Murty | Non-Executive Director /Independent | 7,785 | 0.062 |
| Mr. D.L.S Sreshti | Non-Executive Director /Independent | Nil | Nil |
| Mr. G Vivekanand | Non-Executive Director | 10,225 | 0.082 |
| Mrs. G Padmaja | Non-Executive Director | 8,54,750 | 6.83 |

viii. Familiarization programme for Independent Directors:

The Company has in place a familiarization programme for Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates and business model of the Company.

A copy of the familiarization programme for Independent Directors is available on the website at the link: www.manjeera.com.

3. BOARD/COMMITTEE MEETINGS AND PROCEDURE

a) Decision Making Process:

The Board's mandate is to oversee the Company's strategic direction, review corporate performance, authorize and monitor investments, ensure regulatory compliance and safeguard interests of all stakeholders.

In order to setup the systems and procedures for the matters requiring decisions by the Board, the Board of Directors has followed code of conduct framed for this purpose. The said code of conduct seeks to systematize the decision making process in the most efficient manner.

b) Scheduling and selection of Agenda Items for Board/Committee Meetings:

- The Company holds minimum of four Board Meetings in each year, which are pre-scheduled after the end of each financial quarter. Apart from the four pre-scheduled Board Meetings, Additional Board Meetings will be convened by giving appropriate notice at any time to address the specific needs of the Company. The Board also approves urgent matters by passing Resolutions by Circulation.

- Under the direction of Managing Director, the Company Secretary in consultation with other concerned persons in the senior management, finalizes the agenda items for the Board/Committee Meetings and circulates in advance, the agenda along with the explanatory notes to the Board/Committee Members and other invitees.
 - Where it is not practicable to attach any document or the Agenda is of sensitive nature, the same is circulated at the meeting with the approval of the Chair. In special and exceptional circumstances, additional or supplemental items on the agenda are taken up for discussion with the permission of the Chair and after consensus is formed. Sensitive/ Confidential subject matters are discussed at the meeting even without written material being circulated.
 - The meetings of the Board/Committees are normally held at the Registered Office of the Company.
 - The Members of the Board have complete access to all information of the Company.
- c) Recording Minutes of Proceedings at Board and Committee Meetings:
The Company Secretary records the Minutes of the proceedings of each Board and Committee meeting. Draft Minutes are circulated to all the Members of the Board/Committee for their comments. The final minutes are entered in the Minutes book within 30 days from conclusion of the meeting and are signed by the Chairman in the next meeting.
- d) Compliance:
While preparing the Agenda, Notes on agenda, minutes of the meeting(s), adequate care is taken to ensure adherence to all the applicable Laws and Regulations including the Companies Act, 2013 read with the Rules issued there under.
- e) Role of Independent Directors:
Independent Directors play a key role in the decision-making process of the Board as they approve the overall strategy of the corporation and oversee the performance of the management. The Company benefits immensely from their inputs in achieving its strategic direction.

The Committees constituted by the Board have majority of Independent Directors as members. The Independent Directors are committed to act in what they believe is in the best interest of the Company and its Stakeholders.
- f) Information placed before the Board of Directors, inter alia, includes:
- i. Quarterly Results for the Company.
 - ii. Annual Accounts, Directors' Report etc.
 - iii. Minutes of meetings of Board and other committees of the Board.
 - iv. Minutes of meetings of Board of subsidiary companies.
 - v. Reconciliation of Share Capital Audit.
 - vi. Review of status of execution of various projects of the Company.
 - vii. Review of operations of the subsidiary companies.
 - viii. Formulation of various Policies of the Company
 - ix. Disclosure of Interest by Directors about directorship and committee positions occupied by them in other companies.
 - x. The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
 - xi. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
 - xii. Information relating to major legal disputes.
 - xiii. All other significant events / information.

4. AUDIT COMMITTEE

The main objective of the Audit Committee is to review with management, the quarterly / annual financial statements prior to recommending the same to the Board for its approval. The Committee also assists the Board in its responsibility for overseeing the quality and integrity of accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements.

a) Terms of Reference:

The terms of reference of the Audit Committee inter alia, cover the matters specified under Regulation 18 of SEBI (LODR) Regulation, 2015 as well as the provisions specified in Section 177 of Companies Act, 2013 and more particularly include the following:

- i) To review the Company's financial reporting process and disclosure of financial information.
- ii) Review of Internal Control Systems and Procedures.

- iii) Review of Related Party Transactions.
- iv) Review the performance of auditors to ensure that an objective, professional and cost effective relationship is maintained.

b) Role of Audit Committee:

The role of the audit committee includes the following activities:

- Recommends to the Board, the appointment or re-appointment of Statutory Auditors and the audit fees payable to them.
- To discuss with statutory auditors about the nature & scope of audit prior to the commencement of audit and areas of concern, if any, arising post audit.
- Approving fees payable to statutory auditors for other services rendered by them.
- To investigate any activity within its terms of reference.
- To Review Statutory Dues, Inter Corporate Deposits, Analysis of Debtors, Insurance Coverage of assets of Company etc.

c) Composition and Meetings of the Committee:

The Audit Committee comprises of two Independent Directors and one executive director. The Company Secretary of the Company is the secretary to the committee. Mr. D.L.S. Sreshti is the Chairman of the Committee. He possesses requisite financial / accounting expertise. The quorum for the meeting of the committee is two members. The committee acts as a link between the management, statutory auditors and the Board of Directors.

In addition to the members and Company Secretary, representatives of statutory auditors are also invited to attend the audit committee meeting to reply to the queries, if any, by the committee members.

During the year under review, the Audit Committee met four times. The Audit Committee Meetings were held on 30.05.2016, 13.08.2016, 12.11.2016 and 13.02.2017.

The composition and attendance of the members at the meeting of the Audit Committee is as under:

| Name of the Member | Designation | Nature of Directorship | No. of Meetings Attended |
|----------------------|-------------|--|--------------------------|
| Mr. D. L. S. Sreshti | Chairman | Independent & Non-Executive Director | 3 |
| Mr. K. Krishna Murty | Member | Independent & Non-Executive Director | 4 |
| Mrs. G. Padmaja | Member | Non-Executive & Non-Independent Director | 3 |

* The Chairman of the Audit Committee was present at the last Annual General Meeting.

5. NOMINATION & REMUNERATION COMMITTEE

The Company is already having a Remuneration Committee and Mr. DLS Sreshti & Mr. K. Krishna Murty are the Members of the said Committee. However, as per the provisions of section 178 (1) of Companies Act, 2013, and Regulation 19 of SEBI (LODR) Regulation, 2015, the Board of Directors of every listed, shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than 1/2 shall be independent directors. Accordingly, the Board has renamed the Remuneration committee to Nomination & remuneration committee in the Board meeting held on 14.08.2014.

The committee is constituted to determine on their behalf and on behalf of the shareholders with agreed terms of reference, the company's policy on specific remuneration packages for directors. The remuneration policy of the company is directed towards evaluating performance on a periodic basis.

i) Remuneration Policy:

The Remuneration Committee recommends to the Board the Compensation payable to the Executive Directors and Non-Executive Directors of the Company. The Committee also recommends the appointment, removal and remuneration payable to Key managerial personnel and senior management.

The remuneration policy lays down evaluation criteria for Independent and Executive directors including Chairman as per SEBI) LODR) Regulation, 2015.

ii) Terms of Reference:

- i. To recommend to the Board a policy relating to the remuneration of directors, Key managerial personnel and other employees, devise policy on Board diversity.
- ii. To review and recommend the remuneration package for the Executive Directors on the Board as per the policy laid down by the committee.
- iii. To identify persons who are qualified to be directors and who may be in senior management position.
- iv. Recommend to the Board appointment and removal of directors, evaluate the performance of the directors, and formulate criteria for determining qualifications, positive attributes and independence of a director.

iii) Composition and Meetings of Committee:

As per the provisions of section 178 (1) of Companies Act, 2013, the Committee comprises of the following Members after re-constitution of the committee on 14.08.2014:

| Name of the Member | Designation | Nature of Directorship |
|----------------------|-------------|--|
| Mr. D. L. S. Sreshti | Chairman | Independent & Non-Executive Director |
| Mr. K. Krishna Murty | Member | Independent & Non-Executive Director |
| Mrs. G. Padmaja | Member | Non-Independent & Non-Executive Director |

iv) Remuneration paid to Directors:

a. Executive Directors

The details of remuneration paid/payable to the Managing Director for the financial year 2016-17 are as given below:

(Amount in Rs.)

| Name of the Director | Salary, Allowances & Perks | Commission | Loans and Advances from the Company | Total |
|----------------------|----------------------------|------------|-------------------------------------|-----------|
| Mr. G. Yoganand | 18,00,000 | Nil | Nil | 18,00,000 |

The present remuneration structure of Executive Directors comprise of salary, perquisites and allowances and have been approved by the Shareholders of the Company.

Non-Executive Directors

All the Non-Executive directors receive remuneration only by way of sitting fees for each meeting of the Board. Sitting fees @ Rs. 2,500/- per meeting is paid for attending each meeting of the Board and Audit Committee. The details of sitting fees paid to Non-Executive Directors for the financial year 2016-17 are as under:

| Name of the Director | Sitting Fees (Amount in Rs.) |
|----------------------|------------------------------|
| Mr. K. Krishna Murty | 22,500 |
| Mr. D. L. S. Sreshti | 17,500 |
| Mrs. G. Padmaja | 15,000 |
| Mr. G. Vivekanand | 15,000 |

Except as mentioned above, sitting fee paid to respective Directors and reimbursement of expenses incurred towards attending the meetings, no other payment to individual Directors were made during the Financial Year 2016-17.

b.Details of fixed component and performance linked incentives, along with the performance criteria : NIL

c.Service contracts, notice period, severance fees : NIL

d.Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable: During the year no stock option were given to the Directors of the Company.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company is already having a Share Transfer & Investors Grievance Committee and Mr. DLS Sreshti & Mr. K. Krishna Murty are the Members of the said Committee under the provision of Listing Agreement. As per the provisions of the Regulation 20 of SEBI (LODR) Regulations, 2015, Company need to Constitute Stakeholders Relation Committee to specifically look into the mechanism of redressal of grievances of shareholders, and security holders.

In this regard Board of the Company had renamed Share Transfer & Investors Grievance Committee to Stakeholders Relation Committee in the Board meeting held on 14.08.2015 with following members:

| Name of the Member | Designation | Nature of Directorship |
|----------------------|-------------|--------------------------------------|
| Mr. K. Krishna Murty | Chairman | Independent & Non-Executive Director |
| Mr. D. L. S. Sreshti | Member | Independent & Non-Executive Director |

The Stakeholders Relation Committee is constituted to look into the matters related to approval of share transfers, transmissions, dematerialization, issue of duplicate share certificates, non-receipt of Annual Reports, non-receipt of dividends and other issues concerning shareholders / investors. Mr. K. Krishna Murty is the Chairman of the Committee.

Mrs. Sucharitra Sahoo, Company Secretary of the Company was nominated as Compliance Officer under SEBI(LODR) Regulations,2015 and is responsible for expediting the share transfer formalities. She also looks into the investor grievances and supervises & co-ordinates with M/s. XL Softech Systems Limited, Registrar & Share Transfer Agent for redressal of grievances. Every quarter the Company is publishing the status of complaints received and their respective redressal.

The Company has a designated e-mail address, investors@manjeera.com to redress investors' grievances. During the year, the company has not received any complaints from its shareholders. There was no un-resolved investor complaint as at the end of the financial year.

The contact details of Compliance Officer & Company Secretary are as given below:

Mrs. Sucharitra Sahoo
 Company Secretary & Compliance Officer
 Manjeera Constructions Limited
 #711, Manjeera Trinity Corporate,
 Beside Manjeera Mall, JNTU-Hitech City Road, Kukatpally – 500 072
 Tel: 040-66479647/ 66479664
 E-mail Id: sucharitra.s@manjeera.com

7. GENERAL BODY MEETINGS

a) Annual General Meetings:

The details of date, time and location of Annual General Meetings (AGM) of the Company held during the last three years and the Special Resolutions passed thereat are as follows:

| Meeting | Venue | Date | Time | Special Resolutions passed |
|----------------------|--|------------|-----------|--|
| 29 th AGM | Hotel Aditya Park, Ameerpet, Hyderabad | 30.09.2016 | 9.30 A.M | NIL |
| 28 th AGM | Hotel Aditya Park, Ameerpet, Hyderabad | 30.09.2015 | 9.30 A.M | i. Borrowing power of the Board ii. Creation of Charge on the assets of the Company Appointment of Mr. Vivekanand, as additional Directors of the Company. |
| 27 th AGM | Hotel Aditya Park, Ameerpet, Hyderabad | 30.09.2014 | 9.30 A.M. | i. Borrowing power of the Board ii. Creation of charge on the assets of the Company iii. Amendment of Articles of Association of the Company. |

b) Extra-Ordinary General Meetings:

No Extra-Ordinary General Meeting was held during the year under review.

c) Postal Ballot:

No Postal Ballot has been conducted by the Company during the year under review.

8. SUBSIDIARY

The Company has two subsidiaries, M/s/ Manjeera Retail Holdings Private Limited & MTM Estates and Properties Private Limited of which M/s. Manjeera Retail Holdings Private Limited is a material non-listed Indian subsidiary within the meaning of the explanations given in Regulations 16 of SEBI (LODR) Regulations, 2015 with the Stock Exchanges.

Pursuant to Regulation 24 of SEBI (LODR) Regulations, 2015 with the Stock Exchanges, Mr. K. Krishna Murty, and Mr. DLS Sreshti, (Non-Executive Independent Director) of the Company is on the Board of Manjeera Retail Holdings Private Limited, a material non-listed Indian subsidiary of the Company.

9. MEANS OF COMMUNICATION

The Company regularly interacts with the shareholders from time to time and promptly and efficiently disseminates information through the Annual report and the Company's website.

- **Quarterly /Half-Yearly /Annual Results:**

The Financial Results are generally published in The Financial Express, English daily newspaper circulating in substantially the whole of India and in Andhra Bhoomi, Telugu vernacular daily newspaper and are also posted on the Company's website www.manjeera.com

- **News Releases:**

The Quarterly, Half-Yearly and Annual Results of the Company are published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered and are circulated in one English, one Telugu newspaper.

- **Website:**

The Company has dedicated a section to the investors in its website www.manjeera.com wherein information as to financial results, shareholding pattern and Annual Reports are periodically updated.

- **Designated email-id:**

The Company has also designated the **email-id investors@manjeera.com** exclusively for investor servicing.

- **Annual Report:**

Annual Report containing Audited Annual Accounts, Consolidated Financial Statements, Director's Report, Auditors' Report, Management's Discussion and Analysis and Corporate Governance reports, subsidiary's accounts and director's report and other important information is circulated to Members and others entitled thereto and updated in the Company's website.

- **SEBI Complaints Redress System (SCORES):**

The investors' complaints are also being processed through the centralized web base complaint redressal system. The salient features of SCORES are availability of centralised data base of the complaints and uploading online action taken reports by the Company. Through SCORES, the investors can view online, the actions taken and current status of the complaints.

10. DISCLOSURES

i) **Related Party Transactions:**

There are no materially significant Related Party Transactions which are potentially in conflict with the interests of the Company since all such transactions are negotiated at prevailing market prices, in the best interests of the Company. Details of related party transactions entered into by the company are disclosed in the "Notes to Accounts".

ii) **Compliances:**

There have been no penalties or strictures imposed on the company by Stock Exchanges, SEBI or other statutory authorities for non-compliance of any matter related to capital markets. All the returns have been filed within the stipulated time with the authorities concerned.

iii) **Code of conduct for Board and Senior Management:**

The Company has framed and adopted a Code of Conduct for its Directors and senior management personnel duly approved by the Board.

A copy of the said Code of Conduct is available on the Company's website, www.manjeera.com.

All Board Members and senior management personnel have confirmed compliance with the Code of Conduct for the financial year 2016-17. A declaration to this effect signed by the Managing Director and CEO of the Company is enclosed at the end of this report.

iv) **Whistle Blower Policy/ Vigil Mechanism:**

The Company has adopted a Whistle Blower Policy and has established necessary mechanism for employees to report concerns about unethical behavior or violation of the Company's Code of Conduct. The Whistle Blower Policy requires every employee to promptly report to the Management any actual or possible violation of the code. The disclosure reported are addressed in the manner and within the time frames prescribed in the policy.

No person has been denied access to the Audit Committee, Further, the said policy has been posted to the Company's website, www.manjeera.com.

v) **Policy on Prevention of Insider Trading:**

In line with the commencement of the Companies Act 2013, the Company has adopted a policy for prevention of Insider Trading in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 effective from 15th May 2015, applicable to all the directors and other designated employees who may have access to unpublished price-sensitive information,. Accordingly such officials are prohibited from trading in the securities of the Company during the notified "trading window" period. This policy is an amendment of the policy made under SEBI (Prohibition of Insider Trading) Regulations, 1992.

vi) **Details of compliance with mandatory requirements and adoption of non-mandatory requirements:**

The Company has complied with all the applicable mandatory requirements. The Company has not adopted the non-mandatory requirements of the Listing Regulations.

vii) **Accounting Treatment in preparation of Financial Statements:**

The guidelines / accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 133 of the Companies Act, 2013 have been followed in preparation of the financial statements of the Company in all material aspects.

viii) **Web link determining policy for material subsidiary**

The Company has formulated the policy on materiality subsidiary and on dealing with related party transactions and it is available at the website of the Company at www.manjeera.com.

ix) **The Company is not dealing in commodity and hence disclosure relating to commodity price risks and commodity hedging is not required.**

x) **There is no Non-compliance of any requirement of Corporate Governance Report of Schedule V of the Listing Regulations.**

11. GENERAL SHAREHOLDERS' INFORMATION

Company Registration Details:

The Company is registered in the State of Telangana, India. The Corporate Identity Number allotted to the company by the Ministry of Corporate Affairs (MCA) is L45200AP1987PLC007228.

The registered office of the Company is situated at #711, Manjeera Trinity Corporate, Besides Manjeera Mall, JNTU-Hitech City Road, Kukatpally, Hyderabad - 500072.

a) Details of 30th Annual General Meeting:

Date and Time : 29.09.2017 at 9.30 A.M.
 Venue : Hotel Aditya Park, Ameerpet, Hyderabad - 500038

b) Financial Year : April 1 to March 31

c) Financial Calendar (Tentative) : 2017-18

| | |
|--|-----------------------------|
| Results for the First Quarter ending 30.06.2017 | 2nd week of August, 2017 |
| Results for the Second Quarter ending 30.09.2017 | 2nd week of November, 2017 |
| Results for the Third Quarter ending 31.12.2017 | 2nd week of February, 2018 |
| Annual Results for year ending 31.03.2018 | 3rd / 4th week of May, 2018 |

d) Date of Book Closure : 23.09.2017 to 29.09.2017 (Both days inclusive)

e) Dividend Payment Date : No dividend declared during the year

f) Listing on Stock Exchanges :

The Company's Equity Shares of the face value of Rs. 10/- each are listed on the following Stock Exchanges in India:

i) Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers
 Dalal Street
 Mumbai - 400001

The Company has paid the Annual Listing Fee for the year 2017-18 and the Annual Custodian Fee to National Securities Depository India Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL).

g) Stock Code

- a. Scrip Code on BSE : 533078
 b. Trading Symbol on BSE : MANJEERA
 c. Demat ISIN in NSDL & CDSL for Equity Shares : INE320D01018

h) Market Price Data:

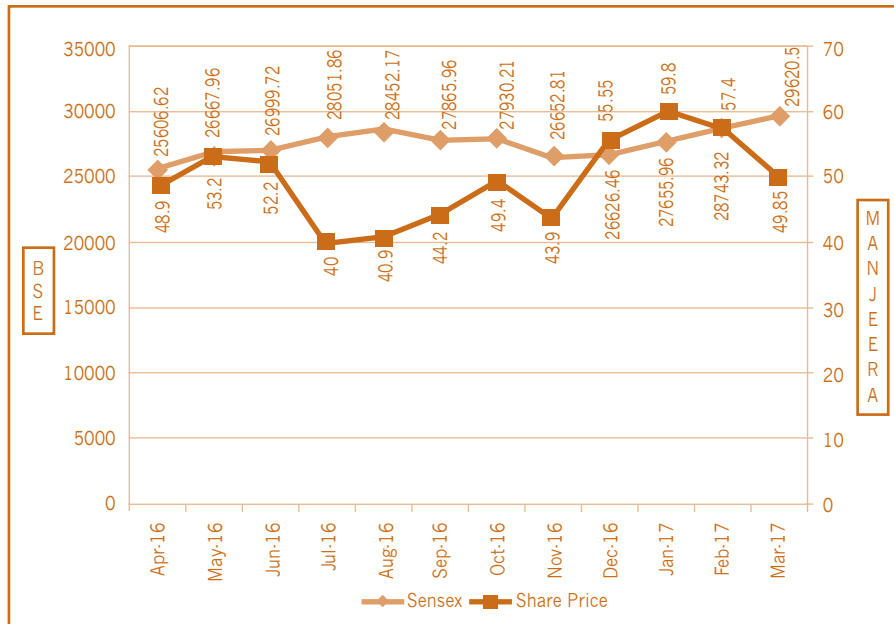
The Equity Shares of the Company are traded on Bombay Stock Exchange.

The monthly high and low of stock quotations traded on BSE during the last financial year are given below:

| Month | BSE | | |
|-----------------|-----------|----------|----------------------|
| | High (Rs) | Low (Rs) | No. of Shares Traded |
| April, 2016 | 46.50 | 48.90 | 56 |
| May, 2016 | 58.50 | 51.30 | 24 |
| June, 2016 | 55.00 | 52.20 | 156 |
| July, 2016 | 52.00 | 37.05 | 3,429 |
| August, 2016 | 40.90 | 36.25 | 1,351 |
| September, 2016 | 44.20 | 39.80 | 972 |
| October, 2016 | 57.20 | 42.00 | 1,292 |
| November, 2016 | 59.00 | 43.90 | 1,458 |
| December, 2016 | 55.60 | 42.35 | 6,852 |
| January, 2017 | 62.65 | 55.10 | 23,858 |
| February, 2017 | 59.50 | 52.10 | 58 |
| March, 2017 | 54.60 | 47.50 | 404 |

i) Performance in comparison to broad-based indices with BSE SENSEX:

MANJEERA VS. SENSEX



j) Details of Registrar and Share Transfer Agent:

M/s. XL Softech Systems Limited
 Plot No. 3, Sagar Society, Banjara Hills,
 Road No. 2, Hyderabad - 500 034
 Tel: +91-40- 23545913/ 14/ 15, Fax: +91-40- 23553214
 Email: xlfield@gmail.com
 Website: http:// www.xlsoftech.com
 Contact Person: Mr. R. Ram Prasad

k) Share Transfer System:

The Company's shares are compulsorily traded in the dematerialized form in the Stock Exchanges where it is listed.

Dematerialized shares are transferable through depository system while the physical share transfers are processed by the Registrar and Share Transfer Agent, M/s. XL Softech Systems Ltd. The Share Transfer requests which are valid and complete in all respects are normally processed within 15 days of receipt of the documents. Dematerialisation requests are processed within 10 days.

The summary of the above information is placed before the Share Transfer and Investor Grievance Committee.

The company obtains a half-yearly audit certificate with regard to compliance of share transfer formalities as required under Regulation 7(3) of the SEBI(LODR) Regulations, 2015 with Stock Exchanges and also the Reconciliation of Share Capital Audit Report from a Company Secretary in Whole-time Practice, and also files copies of the same with the Stock Exchanges.

l) Distribution of Shareholding:

The distribution of shareholding as on 31st March, 2017 is detailed below:

| Sl. No | Category | | No. of Shareholders | Percentage (%) of Shareholders | Share Amount In Rs. | Share Amount % |
|--------|----------------|--------|---------------------|--------------------------------|---------------------|----------------|
| | From | To | | | | |
| 1 | Upto | 5000 | 538 | 73 | 430230 | 0.34 |
| 2 | 5001 | 10000 | 53 | 7.19 | 379150 | 0.30 |
| 3 | 10001 | 20000 | 43 | 5.83 | 615940 | 0.49 |
| 4 | 20001 | 30000 | 12 | 1.63 | 296400 | 0.24 |
| 5 | 30001 | 40000 | 10 | 1.36 | 356130 | 0.28 |
| 6 | 40001 | 50000 | 5 | 0.68 | 237660 | 0.19 |
| 7 | 50001 | 100000 | 20 | 2.71 | 1640190 | 1.31 |
| 8 | 100001 & above | | 56 | 7.60 | 121128480 | 96.84 |
| | Total | | 737 | 100.00 | 125084180 | 100 |

Details of Shareholding:

The details of shareholding pattern of the company as on 31st March, 2017 is as follows:

| Category of Shareholder | No. of shares | % |
|------------------------------|---------------|-------|
| Promoters and Promoter group | 9268577 | 74.10 |
| Public: | | |
| Bodies Corporate | 689750 | 5.51 |
| Individuals | 2530365 | 20.23 |
| Non-Resident Individuals | 19725 | 0.16 |
| Clearing Members | 1 | 0.00 |
| Total | 1,25,08,418 | 100 |

m) Dematerialization of Shares and Liquidity:

The Company's securities are being held in dematerialized form in both National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). 1,21,78,274 equity shares aggregating to 97.36% of the total Equity Capital is held in dematerialized form as on 31st March, 2017.

n) There is no ADR and / or GDR holding in the Company.

o) Project Locations: Project details as given in Management Discussion and Analysis Report.

p) Equity Shares in the Suspense Account

In accordance with the requirement of Regulations 34(3) and Schedule V Part F of SEBI (LODR) Regulations, 2015, the Company reports the following details in respect of equity shares lying in the suspense account which were issued in dematerialized form pursuant to the public issue of the Company:

| Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year. | No. of shareholders who approached the company for transfer of shares from suspense account during the year. | No. of shareholders to whom shares were transferred from suspense account during the year. | Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year. |
|--|--|--|--|
| NIL | NIL | NIL | NIL |

** Voting Rights on these shares shall remain frozen till the rightful owner of such shares claims the shares

q) Address for Communication

In the event of any queries / grievances, please contact:

Mrs. Sucharitra Sahoo
 Company Secretary & Compliance Officer
 Manjeera Constructions Limited
 #711, Manjeera Trinity Corporate,
 Besides Manjeera Mall,
 JNTU-Hitech City Road,
 Kukatpally, Hyderabad-500072
 Tel: 040-66479647/66479664
 E-mail Id: sucharitra.s@manjeera.com, investors@manjeera.com

Details of dates of transfer to Investor Education and Protection Fund (IEPF):

| Financial Year | Date of Declaration of Dividend | Due date to transfer to IEPF |
|----------------|---------------------------------|------------------------------|
| 2009-10 | 30.09.2010 | November, 2017 |
| 2010-11 | 30.09.2011 | November, 2018 |
| 2011-12 | 28.09.2012 | November, 2019 |
| 2012-13 | 30.09.2013 | November, 2020 |

12.SUBSIDIARY MONITORING FRAME WORK

The company's subsidiaries are managed with its own Board having the rights and obligations to manage such company in the best interest of its shareholders. The Company has nominated an Independent Director on the Board of the subsidiary and periodically reviews the operations and financial statements of the subsidiary at its Board Meetings.

13.COMPLIANCE CERTIFICATE OF AUDITORS

The Company has obtained a certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance is attached to this report.

Additional information on Directors seeking Appointment / Re-appointment at the Annual General Meeting pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard -2

| | |
|---|---|
| Name of Director | Mrs. G. Padmaja |
| Date of Birth | 04/02/1967 |
| Date of Appointment | 14/08/2014 |
| Qualification | B. Com |
| Areas of experience | Having 15 years of experience in Real Estate |
| No. of Shares held in the Company | 8,54,750 |
| Directorships held in other Companies (excluding private limited and foreign Companies) | NIL |
| Positions held in mandatory committees of other Companies | Member of Audit Committee & Nomination & Remuneration Committee |

CEO's DECLARATION

I, G Yoganand, Chairman and Managing Director do hereby declare that pursuant to the provisions of SEBI (LODR) Regulations, 2015, all the members of the Board and the Senior Management Personnel of the Company have furnished their affirmation of compliance with the Code of Conduct of the Company in respect of the financial year ended 31st March, 2017.

Place : Hyderabad
 Date : 30.05.2017

G.Yoganand
 Chairman and Managing Director

CEO/CFO Certification (Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

In accordance Regulation 17(8) of SEBI (LODR) Regulations, 2015 we, G Yoganand, Managing Director & Chief Executive Officer and, PRVN Prasada Raju AGM (Finance & Accounts) and Chief Financial Officer of Manjeera Constructions Ltd. (the Company) hereby certify that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended March, 2017 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We are responsible for establishing and maintaining internal controls for financial Reporting in MCL and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee that:
 - (i) There has not been any significant changes in internal control over financial reporting during the year;
 - (ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - (iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

G. Yoganand
 Managing Director & Chief Executive Officer

PRVN Prasad Raju
 AGM (Finance & Accounts) & CFO

Place: Hyderabad
 Date: 30.05.2017

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members
Manjeera Constructions Limited

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with terms of our engagement with Manjeera Constructions Limited ('the Company')
2. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31 2017, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Scheduled V of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 (the Listing Regulations).

MANAGEMENT'S RESPONSIBILITY

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

AUDITOR'S RESPONSIBILITY

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

8. Based on our examination of the relevant records and according to the information and explanation provided to us and the representations provided by the Management, we certify that the Company has complied with conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulations 46(2) and para C and D of Scheduled V of the Listing Regulations during the year ended March 31, 2017.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For A.K Sabat & Co.
Chartered Accountants
(Firm's Registration No. 321012E)

D Vijaya Kumar
Partner
(Membership No. 051961)

Hyderabad, Dated August 23, 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MANJEERA CONSTRUCTIONS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of MANJEERA CONSTRUCTIONS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards prescribed under Section 133 of the Act, as applicable.

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.

Auditors' 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 there under and the Order 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 misstatements.

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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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, 2017, and its Profit and its cash flows 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.

- e) On the basis of the written representations received from the directors of the Company as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
 - 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements as referred to in Note 26 to the Standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O.3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016; Based on the audit procedures performed and the representations provided to us by the Management, we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management as referred to in the Note 32 to the standalone financial statements for the ended 31st March, 2017.
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 B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For A.K. Sabat & Co.
Chartered Accountants
(Registration No.321012E)

D. Vijaya Kumar
Partner
(Membership No. 051961)

Hyderabad, May 30, 2017

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

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

We have audited the internal financial controls over financial reporting of **MANJEERA CONSTRUCTIONS LIMITED** (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A.K. Sabat & Co.
 Chartered Accountants
 (Registration No.321012E)

D. Vijaya Kumar
 Partner
 (Membership No. 051961)

Hyderabad, May 30, 2017

Annexure 'B' to the Independent Auditors' Report

(Referred to in paragraph 2, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

In terms of the information and explanations given by the Company and the books and records examined by us in the course of audit and to the best of our knowledge and belief, we state that:

i. In respect of its fixed assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. The Company is in the process of reconciling the assets verified with its book records and does not expect any material discrepancies.
- c) The title deeds of the immovable property are held in the name of the Company.

ii. In respect of its Inventories:

Physical verification of Inventory has been conducted at reasonable intervals by the management. As explained to us, there was no material discrepancies noticed on such physical verification of inventories.

iii. The Company has granted loans, unsecured inter corporate deposits to its subsidiary company. In respect of such loan granted:

- a. The terms and conditions of the grant of such loans is not prejudicial to the Company's interest.
- b. The Schedule of repayment of principal and payment of interest has been stipulated and the repayments and receipts are as stipulated.
- c. The loan amount has no over dues

iv. In respect of loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies act, 2013 have been complied with.

v. The Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.

vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) (d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

- a) Undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues, where applicable, have been generally regularly deposited with the appropriate authorities. However, undisputed amounts payable in respect of the aforesaid dues which were outstanding as at March 31, 2017 for a period of more than six months from the date of becoming payable are:

| Name of the Statute | Nature of the Dues | Amount (Rs.) | Period to which the amount relates | Due Date | Date of payment |
|----------------------|------------------------|--------------|------------------------------------|---------------|-----------------|
| Income Tax Act, 1961 | Tax deducted at Source | 43,90,118 | April 2016 to August 2016 | Various dates | Not yet paid |
| Income Tax Act, 1961 | Income Tax | 11,70,318 | AY 08-09 | Various dates | Not yet paid |
| Income Tax Act, 1961 | Income Tax | 18,05,270 | AY 09-10 | Various dates | Not yet paid |
| Income Tax Act, 1961 | Income Tax | 27,96,933 | AY 11-12 | Various dates | Not yet paid |
| Income Tax Act, 1961 | Income Tax | 2,10,59,560 | AY 12-13 | Various dates | Not yet paid |
| Income Tax Act, 1961 | Income Tax | 14,08,900 | AY 13-14 | Various dates | Not yet paid |
| Income Tax Act, 1961 | Income Tax | 11,63,530 | AY 14-15 | Various dates | Not yet paid |

- b) There are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax, where applicable, which have not been deposited as on March 31, 2017 on account of disputes.

viii. There are no loans or borrowings from Government or debenture holders. The Company has defaulted in repayment of loans/borrowings to bank and financial institutions as follows.

| Name of Bank / Financial Institution | Amount (Rs.) | Range of delays |
|--------------------------------------|--------------|-----------------|
| Oriental Bank of Commerce-Principal | 6,00,00,000 | 1-210 days |
| Oriental Bank of Commerce-Interest | 25,01,415 | 1-90 days |

- ix. In our opinion, monies raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised. The Company has not raised monies by way of initial public offer or further public offer, including debt instruments.
- x. In our opinion, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. The Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies act, 2013.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- xiii. In our opinion, 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 financial statements etc. as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. In our opinion, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. In our opinion, the Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For A.K. Sabat & Co.
 Chartered Accountants
 (Registration No.321012E)

D. Vijaya Kumar
 Partner
 (Membership No. 051961)

Hyderabad, May 30, 2017

Balance Sheet as at March 31, 2017

(in Rupees)

| | Note No. | As at 31-03-2017 | As at 31-03-2016 |
|--------------------------------|----------|----------------------|----------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 12,50,84,180 | 12,50,84,180 |
| Reserves and surplus | 4 | 72,21,68,988 | 70,54,49,327 |
| | | 84,72,53,168 | 83,05,33,507 |
| Non-current liabilities | | | |
| Long-term borrowings | 5 | 20,80,862 | 30,33,185 |
| Deferred tax liabilities (net) | 6 | 45,93,479 | 47,09,792 |
| Long-term provisions | 7 | 16,25,442 | 7,51,237 |
| | | 82,99,783 | 84,94,214 |
| Current liabilities | | | |
| Short-term borrowings | 8 | 63,19,42,826 | 38,39,12,646 |
| Trade payables | 9 | 12,35,14,808 | 9,78,57,305 |
| Other current liabilities | 10 | 42,39,62,410 | 40,56,85,461 |
| Short-term provisions | 11 | 2,97,14,423 | 1,03,80,851 |
| | | 120,91,34,467 | 89,78,36,263 |
| TOTAL | | 206,46,87,418 | 173,68,63,984 |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | 12 | | |
| - Tangible assets | | 2,95,17,347 | 3,09,31,591 |
| - Intangible assets | | 17,87,403 | 45,112 |
| - Capital work-in-progress | | - | 25,83,481 |
| Non-current investments | 13 | 47,90,22,400 | 49,25,22,400 |
| Long-term loans and advances | 14 | 13,34,91,202 | 11,69,91,202 |
| | | 64,38,18,352 | 64,30,73,786 |
| Current assets | | | |
| Inventories | 15 | 498,812,333 | 40,53,56,000 |
| Trade receivables | 16 | 13,70,13,372 | 9,10,88,045 |
| Cash and bank balances | 17 | 3,21,24,784 | 3,80,87,144 |
| Short-term loan and advances | 18 | 75,29,18,578 | 55,92,59,009 |
| | | 142,08,69,067 | 109,37,90,198 |
| TOTAL | | 206,46,87,418 | 173,68,63,984 |

Significant Accounting Policies - Note No.2

See accompanying Notes 1-35 to the Financial Statements

As per our report of even date

For A.K. Sabat & Co.

Chartered Accountants

(Firm Registration No. 321012E)

For and on behalf of the Board of directors

D. VIJAYA KUMAR

Partner

Membership No.051961

G. YOGANAND

Managing Director

DIN:00850735

K. KRISHNA MURTHY

Director

DIN:01466390

Hyderabad, Dated May 30, 2017

P. PRASAD RAJU

Chief Financial Officer

SUCHARITRA SAHOO

Company Secretary

Statement of Profit and Loss for the Year Ended March 31, 2017

(in Rupees)

| | Note No. | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|--|----------|----------------------------------|----------------------------------|
| Revenue | | | |
| Revenue from operations | 19 | 34,42,13,940 | 28,62,44,107 |
| Other operating revenue | 20 | 7,67,664 | 7,67,664 |
| Other income | 21 | 12,64,66,795 | 12,01,58,587 |
| Total Revenue | | 47,14,48,399 | 40,71,70,358 |
| Expenses | | | |
| Cost of sales and contract expenses | 22 | 29,65,86,814 | 26,70,53,558 |
| Employee benefits expense | 23 | 1,77,03,453 | 1,68,43,485 |
| Finance costs | 24 | 6,99,66,304 | 3,10,28,856 |
| Depreciation and amortisation expense | 12 | 40,74,611 | 28,86,004 |
| Other expenses | 25 | 2,90,77,103 | 2,52,78,241 |
| Total Expenses | | 41,74,08,285 | 34,30,90,144 |
| Profit before tax | | 5,40,40,114 | 6,40,80,214 |
| Tax expense | | | |
| Current tax | | 1,54,76,811 | 1,57,59,477 |
| Short provision for tax relating to prior years | | 2,19,59,954 | (75,11,503) |
| Deferred tax | | (1,16,312) | 92,987 |
| | | 3,73,20,453 | 83,40,961 |
| Profit for the year | | 1,67,19,661 | 5,57,39,253 |
| Earning per equity share (Face value of Rs.10 each) | 33 | | |
| Basic (in Rs.) | | 1.34 | 4.46 |
| Diluted (in Rs.) | | 1.34 | 4.46 |

Significant Accounting Policies - Note No.2

See accompanying Notes 1-35 to the Financial Statements

As per our report of even date

For A.K. Sabat & Co.

Chartered Accountants

(Firm Registration No. 321012E)

For and on behalf of the Board of directors

D. VIJAYA KUMAR

Partner

Membership No.051961

G. YOGANAND

Managing Director

DIN:00850735

K. KRISHNA MURTHY

Director

DIN:01466390

Hyderabad, Dated May 30, 2017

P. PRASAD RAJU

Chief Financial Officer

SUCHARITRA SAHOO

Company Secretary

Cash Flow Statement for the Year Ended March 31, 2017

(in Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|--|----------------------------------|----------------------------------|
| A. Cash flow from operating activities | | |
| Profit before tax | 5,40,40,114 | 6,40,80,213 |
| Adjustments for : | | |
| Depreciation and amortisation expense | 40,74,611 | 28,86,004 |
| Premium on debentures redeemed by associate | - | (3,24,00,000) |
| Gain on buy back of shares by associate | (55,97,280) | (42,75,000) |
| (Profit)/Loss on sale of assets | - | (2,56,619) |
| Finance costs | 6,99,66,304 | 3,10,28,856 |
| Interest income | (11,31,59,953) | (7,71,47,140) |
| | (4,47,16,318) | (8,01,63,899) |
| Operating profit/(loss) before working capital changes | 93,23,796 | (1,60,83,685) |
| Changes in working capital : | | |
| Adjustments for (increase) / decrease in operating assets : | | |
| Inventories | (9,34,56,333) | (7,35,58,375) |
| Trade receivables | (4,59,25,327) | 21,20,57,202 |
| Short-term loans and advances | (2,98,12,532) | (28,49,87,619) |
| Long-term loans and advances | (1,65,00,000) | 17,83,63,535 |
| Other current assets | - | 21,419 |
| | (18,56,94,191) | 3,18,96,162 |
| Adjustments for increase / (decrease) in operating liabilities: | | |
| Trade payables | 2,56,57,503 | 3,05,59,448 |
| Other current liabilities | 2,18,08,446 | 5,19,54,360 |
| Short-term provisions | (4,69,042) | (1,98,077) |
| Long-term provisions | 8,74,205 | (4,59,219) |
| | 4,78,71,112 | 8,18,56,512 |
| Cash (used in)/generated from operations | (12,84,99,284) | 9,76,68,988 |
| Income tax paid (Net) | (1,76,34,152) | (1,83,09,374) |
| Net cash flow (used in)/generated from operating activities (A) | (14,61,33,435) | 7,93,59,613 |
| B. Cash flow from investing activities | | |
| Proceeds from buy back of shares by associate | 1,90,97,280 | 21,375,000 |
| Proceeds from debentures redeemed by associate | - | 4,93,20,000 |
| Capital expenditure on fixed assets | (18,19,177) | (42,93,075) |
| Proceeds from sale of fixed assets | - | 24,50,000 |
| Loan-Subsidiary | (16,38,47,038) | (27,52,09,670) |
| Interest received-Subsidiary | 11,19,23,247 | 7,43,00,414 |
| Interest received-Others | 12,36,706 | 28,46,726 |
| Net cash flow (used in) investing activities (B) | (3,34,08,982) | (12,92,10,605) |
| C. Cash flows from financing activities | | |
| (Repayment)/Proceeds of long-term borrowings | (9,52,323) | (8,63,73,471) |
| Proceeds/(Repayment) of short-term borrowings | 24,80,30,180 | 16,17,32,429 |
| Finance costs | (7,34,97,801) | (2,36,12,016) |
| Net cash flow from financing activities (C) | 17,35,80,057 | 5,17,46,942 |
| Net (decrease)/increase in Cash and cash equivalents (A+B+C) | (59,62,361) | 18,95,950 |
| Cash and cash equivalents at the beginning of the year | 3,80,87,144 | 3,61,91,194 |
| Cash and cash equivalents at the end of the year | 3,21,24,784 | 3,80,87,144 |

As per our report of even date

For A.K. Sabat & Co.

Chartered Accountants

(Firm Registration No. 321012E)

For and on behalf of the Board of directors

D. VIJAYA KUMAR

Partner

Membership No.051961

G. YOGANAND

Managing Director

DIN:00850735

K. KRISHNA MURTHY

Director

DIN:01466390

Hyderabad, Dated May 30, 2017

P. PRASAD RAJU

Chief Financial Officer

SUCHARITRA SAHOO

Company Secretary

Notes Forming Part of the Financial Statements

3 Share capital

(In Rupees)

| | | As at 31-03-2017 | As at 31-03-2016 |
|--|------------------|-----------------------------|-----------------------------|
| Authorised : | | | |
| Equity shares 2,50,00,000 (Previous year 2,50,00,000), Rs.10 par value | | 25,00,00,000 | 25,00,00,000 |
| Issued, subscribed and fully paid up : | | | |
| Equity shares 1,25,08,418 (Previous year 1,25,08,418), Rs.10 par value | | 12,50,84,180 | 12,50,84,180 |
| a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting year: | | | |
| | As at | As at | |
| | 31-03-2017 | 31-03-2016 | |
| Equity shares opening balance | Nos. 1,25,08,418 | 1,25,08,418 | 12,50,84,180 |
| Add: Shares issued during the year | - | - | - |
| Equity shares closing balance | Nos. 1,25,08,418 | 1,25,08,418 | 12,50,84,180 |
| b) The rights and restrictions attached to equity shares: | | | |
| The Company has one class of equity share having par value Rs. 10 per share. Each holder of equity share is entitled to one vote per share held. All the equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. | | | |
| c) Details of Shareholders holding more than 5% equity shares: | | | |
| Name of shareholder | Nos. | % | Nos. % |
| G. Yoganand | 68,50,946 | 54.77 | 68,50,946 54.77 |
| G. Padmaja | 8,54,750 | 6.83 | 8,54,750 6.83 |
| Gajjala Investments and Holdings Private Limited | 8,24,979 | 6.60 | 8,24,979 6.60 |
| d) Equity shares allotted as fully paid Bonus shares for the period of five years immediately preceding March 31 | | | |
| Bonus shares issued in 2010-11 (Nos.) | | 10,00,675 | 10,00,675 |

4 Reserves and surplus

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|-----------------------------|-----------------------------|
| a) Securities premium account | 15,01,00,860 | 15,01,00,860 |
| b) General reserve | | |
| As at beginning and at end of the year | 2,70,00,000 | 2,70,00,000 |
| c) Surplus balance in Statement of Profit and Loss | | |
| At the beginning of the year | 52,83,48,467 | 47,26,09,215 |
| Add : Profit for the year | 1,67,19,661 | 5,57,39,253 |
| At the end of the year | 54,50,68,128 | 52,83,48,467 |
| Total | 72,21,68,988 | 70,54,49,327 |

5 Long-term borrowings

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|---|---------------------|---------------------|
| Secured-Vehicle loans from banks | 26,68,401 | 27,00,381 |
| Secured-Term Loan from banks | 6,00,00,000 | 11,18,33,341 |
| Total Long term borrowings | 6,26,68,401 | 11,45,33,722 |
| Less: current maturities of long-term borrowings | 6,05,87,539 | 11,15,00,537 |
| Total | 20,80,862 | 30,33,185 |
| a) Details of security | | |
| <ul style="list-style-type: none"> - Vehicle loans Rs.26,68,401 (previous year Rs.27,00,381) is secured by hypothecation of vehicles purchased. - Term-loan outstanding to the tune of Rs.6,00,00,000 (previous year Rs.11,00,00,000) is secured by exclusive hypothecation charge on construction materials and work in progress. Equitable mortgage of total land area of Ac 5.01 Gts with proposed construction of 23 Villas with total build up area of 78335.71 sq.feet belonging to G. Yoganad, Managing Director and Manjeera Estates Private Limited including land measuring 6998.37 sq.yards covering above villas out of total land area of Ac. 5.01 Gts besides assignment of developmental right over the entire project. Present interest at 12.75% with monthly vests. Margin 44% for construction and 51% for overall project including advance from buyers. Term Loan repayable in five quarterly equal installments after a moratorium of 12 months from the date of first disbursement. Personal guarantee of G.Yoganand, Managing Director. - Term-loan outstanding to the tune of Rs.Nil (previous year Rs.18,33,341) is secured by hypothecation of 2 Nos. of 250 KVA DG sets with its cabling and erected at Residential Project "Manjeera Trinity Homes", Kukatpally valuing Rs.40.5 lacks. Repayable in 36 Nos. of equal monthly installments with nil moratorium period. Personal guarantee of Managing director and corporate guarantee of Manjeera Estates Private Limited. Interest presently at 12.75% with monthly vests. | | |
| b) Repayment schedule | | |
| upto 1 year | 6,05,87,539 | 11,15,00,537 |
| 2 to 5 years | 20,80,862 | 30,33,185 |
| Total | 6,26,68,401 | 11,45,33,722 |
| c) Period and amount of continuing default as on the balance sheet date | | |
| Term loans from banks-delay 1-210 days | 6,00,12,755 | 3,00,00,000 |
| Interest on term loan from banks-range of delay 1-90 days | 25,01,418 | 34,02,675 |

6 Deferred tax liabilities (net)

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|---|---------------------|---------------------|
| a) Deferred tax liability | | |
| - On difference between book balance and tax balance of fixed assets | 51,95,228 | 51,77,581 |
| b) Deferred tax asset | | |
| - Provision for gratuity and compensated absence | 6,01,748 | 4,67,789 |
| Deferred tax liabilities (net) : (a) - (b) | 45,93,479 | 47,09,792 |
| <p>The Company has been recognising in the financial statements the Deferred tax assets/liabilities, in accordance with Accounting Standard (AS) 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. During the year the Company has credited to the Statement of Profit and Loss with deferred tax liability (Net) of Rs.-1,16,312 (Previous year charged Rs.92,987).</p> | | |

7 Long-term provisions

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|---------------------------------|---------------------|---------------------|
| Provision for employee benefits | | |
| - Gratuity (Non-funded) | 11,95,443 | 5,80,467 |
| - Compensated absence | 4,29,999 | 1,70,770 |
| Total | 16,25,442 | 7,51,237 |

8 Short-term borrowings

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|---------------------|---------------------|
| Secured-Cash Credit from bank | 26,96,02,663 | 15,59,36,353 |
| Secured-Domestic Purchase bill factoring from others | 2,23,00,000 | 2,44,10,000 |
| Unsecured-Inter-corporate deposits from related parties* (refer Note 31) | 24,75,00,000 | 16,51,20,000 |
| Unsecured-Inter-corporate deposits from others | 9,25,40,163 | 3,84,46,293 |
| Total | 63,19,42,826 | 38,39,12,646 |

*(Relates to Inter-corporate deposits from a Private Limited company in which managing director is a director)

a) Details of security

- Cash credit is secured by hypothecation of current assets of construction contract business division (excluding assets of real estate division). Margin 25%. Rate of interest-Bench Mark 1 year MCLR of the bank plus spread of 2.5% chargeable on monthly rests.)
- Domestic purchase bill factoring is secured by collateral security with minimum asset cover of 2.5 times of the entire facility of Rs. 7.5 crore by pledge of shares of promoters of Company and partly by equitable mortgage of Commercial property owned by Manjeera Estates Private Limited. Personal Guarantee of G. Yoganand, Managing Director and corporate guarantee of Gajjala Investment and Holdings Private Limited and Manjeera Estates Private Limited.

b) Period and amount of continuing default

| | | |
|--|---|-------------|
| Domestic Purchase bill factoring from others-default in repayment of bills-range 53 to 74 days | - | 1,12,90,000 |
|--|---|-------------|

9 Trade payables

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|---------------------|---------------------|
| Retention monies retained – contractors | 1,43,28,140 | 1,89,28,829 |
| Sub-contracted works payable | 5,87,93,477 | 4,59,29,210 |
| Contracted works payable | 2,51,87,460 | 46,89,454 |
| Trade payable – goods purchased | 1,79,73,751 | 94,99,649 |
| Employee benefits payable * | 15,82,822 | 30,35,271 |
| Other payables | 56,49,158 | 1,57,74,891 |
| Total | 12,35,14,808 | 9,78,57,305 |
| *(Includes amounts due to related parties (Refer Note 31)) | - | 17,36,175 |

10 Other current liabilities

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|---------------------|---------------------|
| Current maturities of long-term debt : | | |
| Secured-Vehicle loans from banks | 5,87,539 | 4,59,926 |
| Secured-Term Loan from banks | 6,00,00,000 | 11,10,40,611 |
| Interest accrued but not due on borrowings | 3,92,402 | 96,325 |
| Interest accrued and due on borrowings | 34,94,488 | 73,22,061 |
| Statutory dues | | |
| Employee State Insurance Corporation | 16,771 | 10,505 |
| Provident Fund | 1,49,986 | 1,42,158 |
| Professional Tax | 5,700 | 4,850 |
| Service Tax | 19,44,664 | 92,94,699 |
| Value added Tax | 1,05,358 | - |
| Tax deducted at source | 1,42,32,544 | 91,33,521 |
| Advances from customers | 13,94,63,629 | 6,26,87,682 |
| Corpus fund collections | 70,70,000 | 62,60,000 |
| Advances from others | 6,05,70,556 | 7,40,62,929 |
| Revenue Share – Manjeera Trinity Homes Project | 11,76,56,651 | 10,21,51,814 |
| Security deposit | 1,82,72,123 | 2,30,18,380 |
| Total | 42,39,62,410 | 40,56,85,461 |

11 Short-term provisions

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|---------------------|---------------------|
| Current portion of employee benefits | | |
| - Gratuity (Non-funded) | 1,40,579 | 5,02,652 |
| - Compensated absence | 53,984 | 1,60,953 |
| Provision for Income tax (net of taxes paid) | 2,95,19,860 | 97,17,246 |
| Total | 2,97,14,423 | 1,03,80,851 |

12 FIXED ASSETS

(In Rupees)

| Asset | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | NET BLOCK | | |
|------------------------|-----------------------|------------------|-----------------------------|---------------------|---------------------|------------------|-----------------------------|---------------------|---------------------|---------------------|
| | As at 01.04.2016 | Additions | Deductions / Adjustments | As at 31.03.2017 | Up to 31.03.2016 | For the Year | Deductions / Adjustments | Up to 31.03.2017 | As at 31.03.2017 | As at 31.03.2016 |
| TANGIBLE ASSETS | | | | | | | | | | |
| Land | 1,68,006 | - | - | 1,68,006 | - | - | - | - | 1,68,006 | 1,68,006 |
| Building | 1,62,73,913 | - | - | 1,62,73,913 | 63,99,447 | 2,01,344 | - | 66,00,791 | 96,73,122 | 98,74,466 |
| Plant and equipment | 5,26,79,546 | - | - | 5,26,79,546 | 3,60,66,882 | 13,59,500 | - | 3,74,26,382 | 1,52,53,164 | 1,66,12,664 |
| Furniture and fixtures | 21,53,079 | 4,70,628 | - | 26,23,707 | 18,35,847 | 1,33,720 | - | 19,69,567 | 6,54,140 | 3,17,232 |
| Vehicles | 87,27,304 | 4,65,000 | - | 91,92,304 | 52,04,615 | 9,04,464 | - | 61,09,079 | 30,83,225 | 35,22,689 |
| Office equipment | 17,78,645 | 1,77,600 | - | 19,56,245 | 16,58,849 | 1,01,156 | - | 17,60,005 | 1,96,240 | 1,19,796 |
| Computers | 25,49,641 | 4,05,950 | - | 29,55,591 | 24,08,174 | 1,84,257 | - | 25,92,431 | 3,63,160 | 1,41,467 |
| Electrical equipment | 16,42,425 | - | - | 16,42,425 | 14,67,155 | 48,978 | - | 15,16,133 | 1,26,292 | 1,75,270 |
| Previous year | 8,59,72,559 | 15,19,178 | - | 8,74,91,737 | 5,50,40,969 | 29,33,420 | - | 5,79,74,388 | 2,95,17,349 | 3,09,31,590 |
| | 9,13,94,895 | 28,90,505 | 83,12,841 | 8,59,72,559 | 5,82,57,845 | 28,55,663 | 60,72,530 | 5,50,40,968 | 3,09,31,591 | 3,31,37,050 |
| INTANGIBLE ASSETS | | | | | | | | | | |
| Computer software | 11,70,854 | 28,83,481 | - | 40,54,335 | 11,25,741 | 11,41,191 | - | 22,66,932 | 17,87,403 | 45,113 |
| Previous year | 11,70,854 | - | - | 11,70,854 | 10,95,391 | 30,351 | - | 11,25,742 | 45,112 | 75,463 |
| | 87,143,413 | 4,402,659 | - | 91,546,072 | 56,166,710 | 4,074,611 | - | 60,241,320 | 31,304,752 | 30,976,703 |

13 Non-current investments

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|---|---------------------|---------------------|
| (Unquoted and at cost) | | |
| Other Investments | | |
| 4,50,00,000 (4,50,00,000) equity shares of Rs.10 each fully paid up in subsidiary company – Manjeera Retail Holdings Private Limited | 45,00,00,000 | 45,00,00,000 |
| 10,26,000 (10,26,000) equity shares of Rs.10 each fully paid up [includes 1,51,920 (4,03,920) acquired at a Premium of Rs.40 per share, 1,76,400 (2,66,400) acquired at par, 3,55,680 (3,55,680) acquired at Rs.55 per share and 3,42,000 Bonus shares issued during the year] in Associate company - GM Infra Ventures Private Limited | 2,89,22,400 | 4,24,22,400 |
| 10,000 (10,000) equity shares of Rs.10 each fully paid up in subsidiary company – MTM Estates and Properties Private Limited | 1,00,000 | 1,00,000 |
| Total | 47,90,22,400 | 49,25,22,400 |

14 Long-term loans and advances (unsecured, considered good)

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|---------------------|---------------------|
| Security Deposit-Development of Property | 13,30,00,000 | 11,65,00,000 |
| Electricity and other deposits | 4,91,202 | 4,91,202 |
| Total | 13,34,91,202 | 11,69,91,202 |

15 Inventories (As valued as per Accounting Policy Note 2.G)

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|---------------------|---------------------|
| Space held for sale (Projects) | | |
| Manjeera Heights - Phase I | 22,42,743 | 22,42,743 |
| Manjeera Trinity Homes | 4,98,46,031 | 10,66,16,664 |
| Property development-in-progress (Projects) | | |
| Manjeera Diamond Villas | 20,21,35,575 | 20,66,70,499 |
| Manjeera Monarch | 16,72,66,273 | 2,88,11,577 |
| Yelahanka, Bangalore | 3,14,46,635 | 2,98,81,249 |
| Infrastructure Works | 1,35,03,583 | 1,62,58,561 |
| Hydro power project (In Progress) | 47,14,323 | 47,14,323 |
| Kothaguda - Retained Land & allotted Construction cost | 2,76,57,170 | 1,01,60,385 |
| Total | 49,88,12,333 | 40,53,56,000 |
| Borrowing costs capitalised during the period as inventory | 2,05,79,216 | 3,65,11,252 |

16 Trade receivables (unsecured, considered good)

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|---------------------|---------------------|
| Outstanding for a period exceeding six months from the date they are due for payment | 8,68,16,041 | 6,10,54,162 |
| Other debts | 5,01,97,331 | 3,00,33,883 |
| Total | 13,70,13,372 | 9,10,88,045 |

17 Cash and Bank balances

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|-----------------------------|---------------------|---------------------|
| Cash on hand | 3,65,114 | 2,76,102 |
| Balance with banks | | |
| In Current Accounts | 2,02,82,482 | 8,48,277 |
| Other deposits-Margin money | 1,14,77,188 | 3,69,62,765 |
| Total | 3,21,24,784 | 3,80,87,144 |

18 Short-term loan and advances (unsecured, considered good)

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|---------------------|---------------------|
| Loan to related parties* (refer Note 31) | 65,44,52,574 | 49,06,05,537 |
| Advance for contracted works | 3,82,83,699 | 90,75,150 |
| Advance for goods | 55,87,111 | 24,30,147 |
| Advance for expenses | 5,15,857 | 90,000 |
| Sales Tax deposits | 13,44,146 | 13,44,146 |
| Mobilisation advance paid | 10,98,746 | 17,49,667 |
| Maintenance works | 1,81,58,516 | 2,04,08,210 |
| Other advances | 2,07,21,642 | 1,77,89,972 |
| Prepaid expenses | 1,02,51,940 | 1,39,56,871 |
| Staff advance | 25,04,346 | 18,09,309 |
| Total | 75,29,18,578 | 55,92,59,009 |

*Relates to Inter-corporate deposits to subsidiary company.

19 Revenue from operations

(In Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|--|----------------------------------|----------------------------------|
| Revenue from sale of residential spaces (projects) | 16,49,26,091 | 7,52,49,031 |
| Contract receipts (projects) | 41,51,318 | 37,42,990 |
| Sub-contracted contract receipts (projects) | 17,02,37,931 | 20,28,51,897 |
| Wind-mill energy sales | 48,98,600 | 44,00,189 |
| Total | 34,42,13,940 | 28,62,44,107 |

20 Other operating revenue

(In Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|---------------|----------------------------------|----------------------------------|
| Rent receipts | 7,67,664 | 7,67,664 |
| Total | 7,67,664 | 7,67,664 |

21 Other income

(In Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|---|----------------------------------|----------------------------------|
| Interest income | | |
| On bank deposits | 12,36,706 | 28,46,726 |
| On inter-corporate deposits | 11,19,23,247 | 7,43,00,414 |
| | 11,31,59,953 | 7,71,47,140 |
| Reimbursements of expenses | 54,82,404 | 54,82,404 |
| Premium on Debentures redeemed by associate | – | 3,24,00,000 |
| Gain on buyback of shares by associate | 55,97,280 | 42,75,000 |
| Profit on sale of asset | – | 2,56,619 |
| Scrap Sales | 22,27,158 | 5,97,424 |
| Total | 12,64,66,795 | 12,01,58,587 |

22 Cost of sales and contract expenses

(In Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|---|----------------------------------|----------------------------------|
| Cost of sale of residential spaces (Projects) | 13,66,00,212 | 7,32,36,295 |
| Contract expenses (Projects) | 45,30,125 | 32,72,449 |
| Sub-contracted contract expenses (Projects) | 15,45,28,581 | 18,95,14,687 |
| Wind-mill energy expenses | 9,27,896 | 10,30,128 |
| Total | 29,65,86,814 | 26,70,53,558 |

23 Employee benefits expense

(In Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|---|----------------------------------|----------------------------------|
| Salaries and wages | 1,45,18,313 | 1,43,82,154 |
| Employee gratuity | 4,15,134 | (2,26,198) |
| Employee Leave Encashment | 2,12,000 | (2,92,545) |
| Contribution to provident fund and others | 7,25,511 | 11,48,674 |
| Staff welfare expenses | 32,495 | 31,400 |
| Directors remuneration | 18,00,000 | 18,00,000 |
| Total | 1,77,03,453 | 1,68,43,485 |

24 Finance cost

(In Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|-----------------------------|----------------------------------|----------------------------------|
| Interest expense | | |
| On vehicles term loan | 3,11,086 | 87,017 |
| On cash credit | 3,34,88,267 | 2,20,07,403 |
| On term loans | 80,86,353 | 44,63,147 |
| On processing fee | 30,875 | 4,18,641 |
| On inter-corporate deposits | 2,80,49,723 | 40,52,648 |
| Total | 6,99,66,304 | 3,10,28,856 |

25 Other expenses

(In Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|--|----------------------------------|----------------------------------|
| Filing fees | 1,12,041 | 2,04,869 |
| Travel and conveyance | 12,91,916 | 19,38,209 |
| Vehicle maintenance | 2,32,083 | 94,481 |
| Repairs and maintenance - others | 5,89,938 | 41,480 |
| Printing and stationery | 4,70,111 | 1,29,547 |
| Communication | 2,71,693 | 2,90,199 |
| Donations | 4,00,000 | 6,50,000 |
| Power and fuel | 18,68,051 | 16,08,188 |
| Office maintenance | 15,54,735 | 14,82,024 |
| Professional charges | 13,56,210 | 8,79,335 |
| Subscriptions and fees | 1,30,500 | 1,19,800 |
| Sitting fees | 68,750 | 65,250 |
| Security services | 10,90,780 | 2,32,729 |
| Legal charges | 1,06,141 | 5,22,020 |
| Insurance | 5,07,088 | 2,17,630 |
| Audit fee: | | |
| Statutory audit fee | 4,20,000 | 2,00,000 |
| Tax audit fee | 70,000 | 70,000 |
| Other services | - | 2,60,000 |
| Selling expenses-Advertisement | 25,34,811 | 28,09,469 |
| General expenses | 12,39,338 | 1,72,266 |
| Interest - Service Tax delayed payment | - | 3,61,951 |
| Interest - TDS delayed payment | 13,97,775 | 8,11,176 |
| Interest - APHB delayed payment | 1,18,67,617 | 1,12,67,993 |
| Bank charges and Commission | 6,26,642 | 5,66,047 |
| Tender expenses | - | 36,500 |
| CSR Expenditure | 6,00,000 | - |
| Property Tax | 2,70,884 | 2,47,078 |
| Total | 2,90,77,103 | 2,52,78,241 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1. Corporate Information

Manjeera Constructions Limited, a company registered in India under the Companies Act, 1956, having its registered office at 711, Manjeera Trinity Corporate, JNTU and Hitech City Road, KHPB Colony, Hyderabad-500072, is in the business of property development, civil construction contracts, infrastructure projects development and Windmill energy production.

2. Significant Accounting Policies

A. Basis of preparation of Standalone Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared on accrual basis under the historical cost convention.

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except to the extent disclosed.

Company's financial statements are presented in Indian Rupees which is its functional currency.

B. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities and the reported amount of income and expenses during the year. Difference between the actual results and estimates are recognized in the period in which the results are known/materialise.

C. Fixed assets

Tangible Assets

- Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its intended use.
- Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- Projects under which are assets are not ready for their intended use are shown as Capital work-in-progress.

Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition.

D. Depreciation and amortization

(i) Tangible assets

Depreciation has been provided on the useful life of its tangible assets as per the useful life prescribed in Schedule II to the Companies Act, 2013.

(ii) Intangible assets

Intangibles are amortised on a written down value basis.

E. Impairment

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

F. Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

G. Inventories

Properties under development represent costs incurred in respect of unsold area of properties under development and costs incurred on projects/ portion of projects when revenue is yet to be recognised. Such costs include cost of land, development rights, direct materials, labour, borrowing costs and an appropriate portion of construction overheads based on normal operating capacity.

Borrowing costs directly attributable to properties under development which necessarily take a substantial period of time to get ready for sale are considered.

Any expected loss on real estate projects is recognised as an expense when it is certain that the total cost will exceed the total revenue.

Building materials and consumables are valued at cost. Cost of building materials and consumables comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

H. Foreign currency transactions

- i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- ii. Monetary items denominated in foreign currencies at the year-end are restated at year end rates.
- iii. Non-monetary foreign currency items are carried at cost.
- iv. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

I. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the collectability is reasonably assured.

i. Real Estates Sales

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

- all critical approvals necessary for the commencement of the project have been obtained;
- the expenditure incurred on construction and development costs (excluding land cost) is not less than 25% of the total estimated construction and development costs;
- atleast 25% of the saleable project area is secured by the contracts/agreements with the buyer; and
- atleast 10% of the contracts/agreements value are realized at the reporting date in respect of such contracts/agreements.

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

- ii. On construction contracts (undertaken as contractors)
The Company follows percentage completion method for accounting of Construction contracts undertaken.
- iii. Windmill energy sales are accounted on sales accrued.
- iv. Price escalation is carried out in the year of settlement of claims/bills.
- v. Rent Receipts are recognized on accrual basis.
- vi. Interest on deployment of funds is recognized using the time-proportion method, based on interest rates implicit in the transaction.
- vii. Property management services are recognized on rendering services and billing thereof.
- viii. Dividend income is accounted when the right to receive dividend is established.

J. Employee benefits

i. Short Term Employee Benefits

- a) The undiscounted amount of Short Term employee benefits expected to be paid in exchange for the services rendered by the employee is recognized as an expense during the period when the employee render the services.
- b) Regular monthly contribution to Employees' Provident Fund Scheme which is in the nature of defined contribution plan is charged against revenue when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

ii. Long Term Employee Benefits

Earned Leave encashment liability which is in the nature of defined benefit obligation are provided for on actuarial basis, based on independent actuarial valuation on Projected Unit Credit Method on the date of the financial statements as per the requirements of Accounting Standard-15 on "Employee Benefits". Actuarial gains/losses are recognized immediately in the Statement of Profit and Loss.

iii. Post Employment Benefits

The Company provides for gratuity, a defined benefit plan covering eligible employees. In accordance with the Payment of Gratuity Act, 1972, the Gratuity provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and tenure of employment.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognizes each year of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation is based on the market yield on government securities as at the balance sheet date. Actuarial gains/losses are recognized immediately in the Statement of Profit and Loss.

The Liability with respect to the Gratuity Plan is determined based on actuarial valuation done by an independent actuary at the year end and any differential between the fund amount as per the insurer and actuarial valuation is charged to the statement of profit and loss.

K. Borrowing Cost

Borrowing Costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

L. Taxes on income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses the unrecognized deferred tax assets. It recognizes the unrecognized deferred tax assets to the extent that it is reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

M. Provisions, contingent liabilities and contingent assets

Provision recognised in the accounts when there is a present obligation as a result of past event(s), and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

N. Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

O. Earnings per share

'Basic' earnings per share are calculated by dividing the net profit or loss for the period attributable to the shareholders by the weighted average number of the equity shares outstanding at the year end.

'Diluted' earnings per share using the weighted average numbers of equity shares and dilutive potential equity shares outstanding at the year end, except when the result would be anti-dilutive.

P. Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash and Cash equivalents includes Cash in hand and deposits with any qualifying financial institution, repayable on demand or maturing within three months of the date of acquisition and which are subject to an insignificant risk of change in value.

Q. Barter transactions:

Barter transactions are recognised at the fair value of consideration receivable or payable. When the fair value of the transactions cannot be measured reliably, the revenue/expense is measured at the fair value of the goods/services provided/received adjusted by the amount of cash or cash equivalent transferred.

26.Capital commitment and contingent liabilities

A. Contingent liabilities

- i. Claims against the Company not acknowledged as debts include demands raised by Income Tax authorities aggregating to Rs. Nil (Previous year Rs. 4,64,30,513).
- ii. Bank Guarantees on account of contractors not provided for Rs. 3,42,61,966 (previous year Rs. 30,82,90,454).

B. Capital Commitments: Rs. NIL

27.Micro, Small and Medium enterprises

The identification of Micro, Small and Medium Enterprise suppliers as defined under the provisions of “The Micro, Small and Medium Enterprises Development Act, 2006” is based on Management’s knowledge of their status.

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small or Medium Enterprises. Consequently the amount paid / payable to these parties during the year and previous year is Nil.

28.Disclosure as per AS 7 ‘Construction Contracts’

The company followed percentage completion method consistently for accounting of construction contracts undertaken.

| | For the Year ended 31.03.2017 | For the Year ended 31.03.2016 |
|---|----------------------------------|----------------------------------|
| Contract revenue recognized during the year | 17,43,89,249 | 20,64,94,887 |
| Contracts in progress: | As at 31.03.2017 | As at 31.03.2016 |
| Aggregate of revenue recognized | 43,60,19,841 | 26,16,30,592 |
| Aggregate of contract costs incurred | 39,43,43,843 | 23,52,85,137 |
| Advances received | – | 50,34,087 |
| Retention money | 93,41,199 | 1,27,40,,437 |
| Gross amount due from customers | 16,14,150 | 1,96,76,725 |

29.Employee benefits:

Defined Contribution plans

The Company makes Provident Fund and Employee State Insurance scheme contributions to the relevant authorities, which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company has recognised Rs. 6,31,487 (Previous year Rs. 11,23,694 for Provident Fund contributions and Rs. 94,024 (Previous year Rs. 1,74,701) for Employee State Insurance in the Statement of Profit and Loss.

The following table set out the unfunded status of the retirement benefits plans and the amount recognised in the financial statements:

i) Reconciliation of opening and closing balances of Defined Benefit Obligation:

| | Gratuity (Unfunded) | | Compensated Absences (Unfunded) | |
|---|---------------------|------------|---------------------------------|------------|
| | 2016-17 | 2015-16 | 2016-17 | 2015-16 |
| Defined Benefit obligation at beginning of the year | 10,83,119 | 14,30,386 | 3,31,723 | 3,72,828 |
| Current Service Cost | 2,34,985 | 2,20,778 | 83,524 | 2,40,636 |
| Interest Cost | 78,657 | 1,11,141 | 23,602 | 28,969 |
| Actuarial (gain) / loss | 1,01,491 | (2,12,304) | 1,07,265 | (2,93,227) |
| Benefits paid | (1,62,231) | (4,66,882) | (62,130) | (17,484) |
| Defined Benefit obligation at year end | 13,36,022 | 10,83,119 | 4,83,983 | 3,31,723 |

ii) Amount recognized in the Balance Sheet

| | Gratuity (Unfunded) | | Compensate Absences (Unfunded) | |
|------------------------------------|---------------------|-------------|--------------------------------|----------|
| | As at 31st March | | As at 31st March | |
| | 2017 | 2016 | 2017 | 2016 |
| Fair value of Plan assets | – | – | – | – |
| Present value of obligation | 13,36,022 | 10,83,119 | 4,83,983 | 3,31,723 |
| Amount recognised in Balance Sheet | (13,36,022) | (10,83,119) | 4,83,983 | 3,31,723 |

iii) Expenses recognised in Statement of Profit and Loss

| | Gratuity | | Compensated Absences | |
|--------------------------------|------------|------------|----------------------|------------|
| | (Unfunded) | | (Unfunded) | |
| | 2017 | 2016 | 2017 | 2016 |
| Current Service Cost | 2,34,985 | 2,20,778 | 83,524 | 2,40,636 |
| Interest Cost | 78,657 | 1,11,141 | 23,602 | 28,969 |
| Expected return on Plan assets | - | - | - | - |
| Actuarial (gain) / loss | 1,01,491 | (2,12,304) | 1,07,265 | (2,93,226) |
| Other Transfer | - | - | - | - |
| Net Cost | 4,15,134 | 1,19,615 | 2,14,390 | (23,621) |

iv) Principal Actuarial assumptions

| | Gratuity | | Compensated Absences | |
|--|------------|------------|----------------------|------------|
| | (Unfunded) | | (Unfunded) | |
| | 2016-17 | 2015-16 | 2016-17 | 2015-16 |
| Mortality Table | 2006-08 | 2006-08 | 2006-08 | 2006-08 |
| | (Ultimate) | (Ultimate) | (Ultimate) | (Ultimate) |
| Discount rate (per annum) | 7.50% | 7.85% | 7.50% | 7.85% |
| Expected rate of return on plan assets (per annum) | 0.00% | 0.00% | 0.00% | 0.00% |
| Rate of escalation in salary (per annum) | 5% | 5% | 5% | 5% |

v) Amounts recognised in current year and previous four years

| Particular | As at 31st March | | | |
|--|------------------|------------|------------|------------|
| | 2017 | 2016 | 2015 | 2014 |
| Gratuity | | | | |
| Defined benefit obligation | 13,36,022 | 10,83,119 | 14,30,386 | 15,47,869 |
| Fair value of plan assets | - | - | - | - |
| Surplus / Deficit in the plan | 13,36,022 | 10,83,119 | 14,30,386 | 15,47,869 |
| Actuarial (gain) / loss on plan obligation | 1,01,491 | (2,12,304) | (4,58,243) | (3,84,647) |

vi) The expected contributions for Defined Benefit Plan for the next financial year will be in line with the current year.

Notes:

- The discount rate is based on the prevailing market yield of Indian Government Securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

30.Segment reporting

The Company's operations fall within a single business segment "Development and sale of residential" and single geographical segment and therefore segment information as required under AS-17 is not applicable.

31.Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are:

(a) List of related parties and nature of the relationship:

| | Name of the Related Party | Nature of Relationship |
|----|--|--|
| 1 | Manjeera Retail Holdings Private Limited | Subsidiary company |
| 2 | MTM Estate and Prosperities Private Limited. | Subsidiary company |
| 3 | GM Infra Ventures Private Limited | Associate company |
| 4 | G. Yoganand – Managing Director | Key Management Person |
| 5 | K. Krishna Murty – Director | Key Management Person |
| 6 | DLS Sreshti – Independent Director | Key Management Person |
| 7 | G. Vivekanand – Director | Key Management Person (w.e.f 30.09.2015 to 08.03.2017) |
| 8 | G. Padmaja | Key Management Person |
| 9 | R. Venkata Rao – Chief financial officer | Key Management Person upto 12.11.2016 |
| 10 | Sucharitra Sahoo – Company secretary | Key Management Person (w.e.f 30.05.2016) |
| 11 | Manjeera Estates Private Limited | Entity under significant influence of KMP |
| 12 | Manjeera Hotels & Resorts Private limited | Entity under significant influence of KMP |
| 13 | Gajjala Investments & Holdings Private Limited | Entity under significant influence of KMP |
| 14 | Aashraya Hotels And Estates Private Limited | Entity under significant influence of KMP |
| 15 | Manjeera Projects | Entity under significant influence of KMP |

Related Parties have been identified by the management.

(b) Details of transactions during the year and balances at year end with related parties

| Transactions | Subsidiary company | Associate company | Key management person | Entity Under Significant Influence |
|--|--------------------|-------------------|-----------------------|------------------------------------|
| 1. Transaction during the year | | | | |
| a) Other operating revenue | | | | |
| Rent Receipt – Manjeera Retail Holding Private Limited | 7,67,664 | – | | – |
| | (7,67,664) | – | | – |
| b) Other Income | | | | |
| i. Interest – Manjeera Retail Holding Private Limited | 11,19,23,247 | – | | – |
| | (7,43,00,414) | – | | – |
| ii. Premium on redemption of debentures – GM Infra Ventures Private Limited | – | – | | – |
| | – | (3,24,00,000) | | – |
| iii. Profit on buy back of shares – GM Infra Ventures Private Limited | – | 55,97,280 | | – |
| | – | (42,75,000) | | – |
| Reimbursement of Expenses (Received) | | | | |
| Manjeera Retail Holdings Private Limited | 54,82,404 | – | | – |
| | (54,82,404) | – | | – |
| d) Employee Benefits | | | | |
| Director Remuneration – G. Yoganand | – | – | 18,00,000 | – |
| | – | – | (18,00,000) | – |
| e) Finance cost | | | | |
| Manjeera Estates Private Limited | – | – | – | 1,74,77,178 |
| | – | – | – | (6,37,647) |
| f) Short term borrowings | | | | |
| Loan taken – Manjeera Estates Private Limited | – | – | – | 8,25,55,761 |
| | – | – | – | (16,51,20,000) |
| g) Non-current investment | | | | |
| GM Infra Ventures Private Limited-Shares buy back | – | 1,35,00,000 | – | – |
| | – | (1,71,00,000) | – | – |
| h) Short term loans and advances | | | | |
| Loan given – Manjeera Retail Holdings Private Limited | 16,38,47,038 | – | – | – |
| | (26,97,16,925) | – | – | – |
| 2. Guarantees given: | | | | |
| (i) Personal guarantee given by G. Yoganand, Managing Director in respect of Term Loans availed from Oriental Bank of Commerce and Domestic Purchase bill factoring from IFCI Factor Limited. | | | | |
| (ii) Corporate guarantee given by Manjeera Estates Private Limited, Entity under significant influence of KMP, in respect of Term Loans availed from Oriental Bank of Commerce and towards Domestic Purchase bill factoring from IFCI Factor Limited | | | | |
| (iii) Corporate guarantee given by Gajjala Investments and Holding Private Limited, Entity under significant influence of KMP, in respect of Domestic Purchase bill factoring from IFCI Factor Limited. | | | | |
| 3. Balances for the year ended 31-03-2017 | | | | |
| a) Short term borrowings | | | | |
| Manjeera Estates Private Limited | – | – | | 24,75,00,000 |
| | – | – | | (16,51,20,000) |
| b) Trade payable | | | | |
| Aashraya Hotels and Estates Private Limited | – | – | | 77,609 |
| | – | – | | (77,609) |
| Manjeera Hotels & Resorts Private Limited | – | – | | 6,72,101 |
| | – | – | | (3,94,972) |
| c) Non-current investments | | | | |
| Equity Shares – GM Infra Ventures Private Limited | – | 2,89,22,400 | | – |
| | – | (4,24,22,400) | – | – |
| Equity Shares – MTM Estates and Properties Pvt Ltd | 1,00,000 | – | – | – |
| | (1,00,000) | – | – | – |
| Equity Shares – Manjeera Retail Holdings Private Limited | 45,00,00,000 | – | – | – |
| | (45,00,00,000) | – | – | – |

| d) Short term loans and advances | | | | |
|---|----------------|---|---|-------------|
| Manjeera Retail Holdings Private Limited | 65,44,52,574 | - | - | - |
| | (49,06,05,537) | - | - | - |
| Manjeera Hotels and Resorts Private Limited | - | - | - | 26,66,552 |
| | - | - | - | - |
| Manjeera Estates Private Limited | - | - | - | 3,62,506 |
| | - | - | - | (16,82,199) |
| MTM Estates and Properties Private Limited | 1,55,857 | - | - | - |
| | (-) | - | - | - |

32.Details of Specified Bank Notes (SBN) held and transacted during the period 08-11-2016 to 30-12-2016 is as under.

(Amount in Rupees)

| | SBN's | Other Denomination Notes | Total |
|---------------------------------------|-------|--------------------------|----------|
| Closing Cash in hand as on 08-11-2016 | - | 3,10,053 | 3,10,053 |
| (+) Permitted Receipts | - | - | - |
| (-) Permitted Payments | - | - | - |
| (-) Amount Deposited in Banks | - | - | - |
| Closing Cash in hand as on 31-12-2016 | - | 3,10,053 | 3,10,053 |

33.Earnings per equity share

| | Year ended 31.03.2017 | Year ended 31.03.2016 |
|--|-----------------------|-----------------------|
| Profit after Tax (Rs.) | 1,67,19,661 | 5,57,39,253 |
| Number of shares as at 01.04.2015 | 1,25,08,418 | 1,25,08,418 |
| Number of shares as at 31.03.2016 | 1,25,08,418 | 1,25,08,418 |
| Weighted average number of shares (Nos.) | 1,25,08,418 | 1,25,08,418 |
| Earnings per share (Basic and Diluted) (Rs.) | 1.34 | 4.46 |
| Nominal value per share (Rs.) | 10 | 10 |

34.Corporate Social Responsibility (CSR)

CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is Rs. 5,51,752 (Previous Year Rs. 5,84,018).

Expenditure related to Corporate Social Responsibility is Rs. 6,00,000 (Previous Year Rs.Nil).

Details of amount towards CSR as follows

| Particulars | 2016-17 | 2015-16 |
|-----------------------------|--------------|---------|
| Promoting Education | Rs. 2,00,000 | - |
| Promoting Employment | Rs. 2,00,000 | - |
| Promoting Skill Development | Rs. 2,00,000 | - |

35.Previous year's figures have been re-grouped/re-classified wherever necessary to correspond with the / disclosure.

As per our report of even date

For A.K. Sabat & Co.

Chartered Accountants

(Firm Registration No. 321012E)

D. VIJAYA KUMAR

Partner

Membership No.051961

Hyderabad, Dated May 30, 2017

For and on behalf of the Board of directors

G. YOGANAND

Managing Director

DIN:00850735

P. PRASAD RAJU

Chief Financial Officer

K. KRISHNA MURTHY

Director

DIN:01466390

SUCHARITRA SAHOO

Company Secretary

CONSOLIDATED INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MANJEERA CONSTRUCTIONS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of MANJEERA CONSTRUCTIONS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

The inventories are carried in the Consolidated Balance Sheet at Rs. 377,66,66,318 (As at 31st March 2016: Rs. 437,26,55,053). In one subsidiary of the Holding Company, the other auditor who audited the financial statements of the subsidiary has reported as detailed in note 39 to the consolidated financial statements that inventory of properties under development as at 31 March 2017 includes interest cost on the borrowings and other liabilities capitalised to the tune of Rs. 60,41,36,221 (As at 31st March 2016; Rs. 37,04,57,089), which in their opinion, is not consistent with the provisions of Accounting Standard (AS) 16 "Borrowing Cost". The report of the other auditor states that had the company followed the accounting principles as laid down under AS 16, the loss for the year would have been higher and consequently, the balance of inventory of properties under development and reserves and surplus as at 31 March 2017 would have been lower by the aforesaid amount.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid consolidated 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 consolidated state of affairs of the Group and its associate as at 31st March, 2017, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

In one subsidiary of the Holding Company, the other auditor who audited the financial statements of the subsidiary has drawn attention to Note 30(A)(ii)(a) to the accompanying consolidated financial statements which describes the significant uncertainty relating to the outcome of the ongoing negotiations between the company and the Andhra Pradesh Housing Board. Pending final outcome of these negotiations, no adjustments have been recorded in the accompanying consolidated financial statements.

Our opinion is not modified in respect of the said matter.

Other Matters

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 577,16,91,452 as at 31st March, 2017, total revenues of Rs. 169,15,71,711 and net cash flows amounting to Rs. 1,28,14,754 for the year ended on that date and financial statements of the associate in which the share of profit of the Group is Rs. 1,02,46,392 as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
- (b) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies and associate company, incorporated in India, none of the other directors of the Group's companies and its associate company incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding company, subsidiary companies and associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting in the Holding company and its subsidiary companies and associate incorporated in India.

(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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate - Refer Note 30 to the consolidated financial statements.
- ii. The Group and its associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary companies and associate company incorporated in India.
- iv. The Group has provided requisite disclosures in the consolidated financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O.3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016 of the Group entities as applicable. Based on the audit procedures performed and the representations provided to us by the Management, we report that the disclosures are in accordance with the books of accounts maintained by those entities for preparation of the consolidated financial statements and as produced to us by the Management of the respective Group entities as referred to in the Note 34 to the consolidated financial statements for the ended 31st March, 2017.

For A.K. Sabat & Co.
Chartered Accountants
(Firm's Registration No.321012E)

D. Vijaya Kumar
(Partner)
(Membership No. 051961)

Hyderabad, Dated August 23, 2017

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Manjeera Constructions Limited (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) and its associate incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

We believe, except for the matter described by the other auditor who audited the financial statements of a subsidiary in Disclaimer of Opinion paragraph below, that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Disclaimer of Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for Disclaimer of Opinion by the other auditor who audited the financial statements of a subsidiary that the company has not established its internal financial control over financial reporting criteria based on or considering the essential components of internal control stated in the Guidance Note issued by the ICAI and that they have considered the disclaimer in determining the nature, timing, and extent of audit tests applied, the Holding Company, its subsidiaries and associate all incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and were operating effectively as at March 31, 2017, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. The disclaimer does not affect our opinion on the consolidated financial statements of the Company.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary and associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For A.K. Sabat & Co.
Chartered Accountants
(Firm's Registration No.321012E)

D. Vijaya Kumar
(Partner)
(Membership No. 051961)

Hyderabad, Dated August 23, 2017

Consolidated Balance Sheet as at March 31, 2017

(in Rupees)

| | Note No. | As at 31-03-2017 | As at 31-03-2016 |
|---------------------------------------|----------|----------------------|----------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 12,50,84,180 | 12,50,84,180 |
| Reserves and surplus | 4 | 64,37,98,053 | 71,05,84,704 |
| | | 76,88,82,233 | 83,56,68,884 |
| Minority Interest | | 38,87,02,028 | 40,83,75,839 |
| Non-current liabilities | | | |
| Long-term borrowings | 5 | 272,11,41,592 | 171,58,43,194 |
| Deferred tax liabilities (net) | 6 | 45,93,480 | 47,09,791 |
| Other-long term liabilities | 7 | 13,71,46,140 | 9,07,18,188 |
| Long-term provisions | 8 | 39,83,226 | 26,11,297 |
| | | 286,68,64,438 | 181,38,82,469 |
| Current liabilities | | | |
| Short-term borrowings | 9 | 112,52,53,416 | 117,48,89,845 |
| Trade payables | 10 | 31,16,20,198 | 27,02,36,120 |
| Other current liabilities | 11 | 120,79,32,531 | 236,58,21,459 |
| Short-term provisions | 12 | 2,99,68,678 | 1,04,11,513 |
| | | 267,47,74,823 | 382,13,58,937 |
| TOTAL | | 669,92,23,522 | 687,92,86,130 |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| - Tangible assets | 13 | 184,38,99,744 | 187,82,66,231 |
| - Intangible assets | | 40,32,428 | 24,71,612 |
| - Intangible assets under development | | | 25,83,481 |
| Non-current investments | 14 | 6,94,16,820 | 7,26,70,428 |
| Long-term loans and advances | 15 | 20,35,23,952 | 17,44,11,401 |
| Other non-current assets | 16 | 70,57,728 | 4,49,27,837 |
| | | 212,79,30,672 | 217,53,30,990 |
| Current assets | | | |
| Inventories | 17 | 377,66,66,138 | 437,26,55,053 |
| Trade receivables | 18 | 58,72,41,146 | 18,58,60,472 |
| Cash and bank balances | 19 | 8,27,77,640 | 6,21,88,737 |
| Short-term loan and advances | 20 | 11,96,01,931 | 7,79,08,817 |
| Other current assets | 21 | 5,005,995 | 53,42,061 |
| | | 457,12,92,850 | 470,39,55,140 |
| TOTAL | | 669,92,23,522 | 687,92,86,130 |

Significant accounting policies Note No - 2

See accompanying Notes 1-45 to the Consolidated Financial Statements

As per our report of even date

For A.K. Sabat & Co.

Chartered Accountants

(Firm Registration No. 321012E)

For and on behalf of the Board of directors

D. VIJAYA KUMAR

Partner

Membership No.051961

G. YOGANAND

Managing Director

DIN:00850735

K. KRISHNA MURTHY

Director

DIN:01466390

Hyderabad, Dated August 23, 2017

P. PRASAD RAJU

Chief Financial Officer

SUCHARITRA SAHOO

Company Secretary

Consolidated Statement of Profit and Loss for the Year Ended March 31, 2017

(in Rupees)

| | Note No. | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|--|----------|-------------------------------|-------------------------------|
| Revenue | | | |
| Revenue from operations | 22 | 201,67,18,209 | 62,14,68,757 |
| Other income | 23 | 2,81,28,586 | 4,95,73,315 |
| Total Revenue | | 204,48,46,795 | 67,10,42,072 |
| Expenses | | | |
| Cost of sales and contract expenses | 24 | 154,32,69,859 | 31,72,17,918 |
| Operating expenses | 25 | 23,85,82,739 | 14,18,41,906 |
| Employee benefits expense | 26 | 4,48,48,300 | 3,39,00,985 |
| Finance costs | 27 | 14,51,73,022 | 13,56,92,481 |
| Depreciation and amortisation expense | 13 | 5,46,94,912 | 5,30,28,781 |
| Other expenses | 28 | 7,76,64,363 | 7,66,96,149 |
| Total Expenses | | 210,42,33,195 | 75,83,78,221 |
| Profit/(Loss) before tax | | (5,93,86,400) | (8,73,36,149) |
| Loss before prior period items and tax | | | |
| Prior period items | 29 | – | (31,98,247) |
| Profit/(Loss) before tax | | (5,93,86,400) | (9,05,34,396) |
| Tax expense | | | |
| - Current tax | | 1,54,76,811 | 1,57,59,477 |
| - Short provision for tax relating to prior years | | 2,19,59,954 | (75,11,503) |
| - Deferred tax | | (1,16,312) | (59,75,234) |
| (Loss) for the year after tax (before adjustment for Minority Interest) | | (9,67,06,853) | (9,28,07,136) |
| Share of Profit of Associate | | 1,02,46,392 | 76,53,594 |
| Minority Interest | | (1,96,73,810) | (7,27,58,428) |
| Profit/(Loss) for the year after taxes and Minority interest | | (6,67,86,651) | (1,23,95,114) |
| Earning per equity share of Rs.10 each | 41 | | |
| Basic (in Rs.) | | (5.34) | (0.99) |
| Diluted (in Rs.) | | (5.34) | (0.99) |

Significant accounting policies Note No - 2

See accompanying Notes 1-45 to the Consolidated Financial Statements

As per our report of even date

For A.K. Sabat & Co.

Chartered Accountants

(Firm Registration No. 321012E)

For and on behalf of the Board of directors

D. VIJAYA KUMAR

Partner

Membership No.051961

G. YOGANAND

Managing Director

DIN:00850735

K. KRISHNA MURTHY

Director

DIN:01466390

P. PRASAD RAJU

Chief Financial Officer

SUCHARITRA SAHOO

Company Secretary

Hyderabad, Dated August 23, 2017

Consolidated Cash Flow Statement for the Year Ended March 31, 2017

(in Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|--|----------------------------------|----------------------------------|
| A. Cash flow from operating activities | | |
| (Loss) before tax | (5,93,86,400) | (9,05,34,396) |
| Adjustments for : | | |
| Depreciation and amortisation expense | 5,46,94,912 | 5,30,28,781 |
| Provision for employee benefits | – | (5,43,675) |
| Premium on debentures redeemed by associate | – | (3,24,00,000) |
| Gain on buy back of shares by associate | (55,97,280) | (42,75,000) |
| (Profit)/Loss on sale of assets | – | (2,56,619) |
| Advances written off | – | 47,83,668 |
| Provision for doubtful receivables | – | 99,14,774 |
| Provision for doubtful receivables written back | (62,24,279) | – |
| Interest expense included in cost of inventory sold | – | 91,90,325 |
| Finance costs | 11,16,53,880 | 12,87,53,475 |
| Interest income | (51,81,606) | (64,04,769) |
| | 14,93,45,627 | 16,17,90,960 |
| Operating profit before working capital changes | 8,99,59,227 | 7,12,56,565 |
| Changes in working capital : | | |
| Adjustments for (increase) / decrease in operating assets : | | |
| Inventories | 59,59,88,915 | (6,43,04,193) |
| Trade receivables | (39,51,56,395) | 22,47,36,253 |
| Short-term loans and advances | (3,86,93,113) | (26,21,37,031) |
| Long-term loans and advances | (2,04,73,307) | 17,83,63,535 |
| Other current assets | 16,86,997 | 21,419 |
| | 14,33,53,097 | 7,66,79,983 |
| Adjustments for increase / (decrease) in operating liabilities: | | |
| Trade payables | 4,13,84,078 | (2,70,43,849) |
| Other current liabilities | (44,57,60,984) | 41,03,18,153 |
| Short-term provisions | (2,45,449) | (1,98,077) |
| Long-term provisions | 13,71,929 | (4,59,219) |
| | (40,32,50,426) | 38,26,17,008 |
| Cash (used in)/generated from operations | (16,99,38,102) | 53,05,53,555 |
| Income tax paid (Net) | (2,92,73,396) | (3,26,37,042) |
| Net cash flow (used in)/generated from operating activities (A) | (19,92,11,498) | 49,79,16,512 |
| B. Cash flow from investing activities | | |
| Proceeds from buy back of shares by associate | 1,90,97,280 | 2,13,75,000 |
| Proceeds from debentures redeemed by associate | – | 4,93,20,000 |
| Capital expenditure on fixed assets | – | (3,99,41,297) |
| Proceeds from sale of fixed assets | – | 24,50,000 |
| (Increase) / Decrease in Fixed Assets | (1,93,05,760) | – |
| Redemption/(investment) in fixed deposit | 2,30,12,679 | (63,24,066) |
| Interest received-Others | 48,07,665 | 65,06,144 |
| Net cash flow generated from investing activities (B) | 2,76,11,864 | 3,33,85,781 |
| C. Cash flows from financing activities | | |
| Proceeds/(Repayment) of long-term borrowings | 32,88,86,160 | (49,32,52,437) |
| (Repayment)/Proceeds of short-term borrowings | (32,08,477) | 48,96,80,378 |
| Finance costs | (14,73,69,583) | (50,78,33,679) |
| Net cash flow generated from/(used in) financing activities (C) | 17,83,08,100 | (51,14,05,738) |
| Net increase in Cash and cash equivalents (A+B+C) | 67,08,467 | 1,98,96,555 |
| Cash and cash equivalents at the beginning of the year | 2,50,15,497 | 51,18,942 |
| Cash and cash equivalents at the end of the year | 3,17,23,960 | 2,50,15,497 |
| Cash on hand | 4,15,574 | 3,10,843 |
| Balances with banks in current accounts | 3,13,08,386 | 2,47,04,655 |
| Total cash and cash equivalents | 3,17,23,960 | 2,50,15,497 |

In terms of our report attached

For A.K. Sabat & Co.

Chartered Accountants

(Firm Registration No. 321012E)

For and on behalf of the Board of directors

D. VIJAYA KUMAR

Partner

Membership No.051961

G. YOGANAND

Managing Director

DIN:00850735

K. KRISHNA MURTHY

Director

DIN:01466390

P. PRASAD RAJU

Chief Financial Officer

SUCHARITRA SAHOO

Company Secretary

Hyderabad, Dated August 23, 2017

Notes Forming Part of the Consolidated Financial Statements

3 Share capital

(In Rupees)

| | | As at 31-03-2017 | As at 31-03-2016 |
|--|------------------|-----------------------------|-----------------------------|
| Authorised : | | | |
| Equity shares 2,50,00,000 (Previous year 2,50,00,000), Rs.10 par value | | 25,00,00,000 | 25,00,00,000 |
| Issued, subscribed and fully paid up : | | | |
| Equity shares 1,25,08,418 (Previous year 1,25,08,418), Rs.10 par value | | 12,50,84,180 | 12,50,84,180 |
| a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting year: | | | |
| | As at | As at | |
| | 31-03-2017 | 31-03-2016 | |
| Equity shares opening balance | Nos. 1,25,08,418 | 1,25,08,418 | 12,50,84,180 |
| Add: Shares issued during the year | - | - | - |
| Equity shares closing balance | Nos. 1,25,08,418 | 1,25,08,418 | 12,50,84,180 |
| b) The rights and restrictions attached to equity shares : | | | |
| The Company has one class of equity share having par value Rs. 10 per share. Each holder of equity share is entitled to one vote per share held. All the equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. | | | |
| c) Shareholder holding more than 5% equity shares: | | | |
| Name of shareholder | Nos. | % Held | Nos. % Held |
| G.Yoganand | 68,50,946 | 54.77 | 68,50,946 54.77 |
| G.Padmaja | 8,54,750 | 6.83 | 8,54,750 6.83 |
| Gajjala Investments and Holdings Private Limited | 8,24,979 | 6.60 | 8,24,979 6.60 |
| d) Equity shares allotted as fully paid Bonus shares for the period of five years immediately preceding March 31 | | | |
| Bonus shares issued in 2010-11 (Nos.) | | 10,00,675 | 10,00,675 |

4 Reserves and surplus

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|---|-----------------------------|-----------------------------|
| Securities premium account | 15,01,00,860 | 15,01,00,860 |
| General reserve | | |
| As at beginning and at end of the year | 2,70,00,000 | 2,70,00,000 |
| Surplus balance in Statement of Profit and Loss | | |
| At the beginning of the year | 53,34,83,844 | 54,58,78,957 |
| Add/(Less): Profit/(Loss) for the year | (6,67,86,651) | (1,23,95,113) |
| At the end of the year | 46,66,97,193 | 53,34,83,844 |
| Total | 64,37,98,053 | 71,05,84,704 |

5 Long-term borrowings

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|----------------------|----------------------|
| Secured-Term loan from banks | 97,95,69,688 | 230,08,49,724 |
| Secured-Vehicle loans from banks | 6,08,00,306 | 27,00,381 |
| Secured-15671.27 (2016: Nil) 18% Non Convertible Debentures ("NCDs") of ₹1,00,000 each | 156,71,27,205 | – |
| Unsecured-Term loans from others | 2,49,39,064 | – |
| Unsecured-367,647 (31 March 2016: 367,647) 14% Cumulative Mandatorily Convertible Debentures ("CCDs") of ₹1,000 each (Trinity) | 36,76,47,000 | 36,76,47,000 |
| | 300,00,83,263 | 267,11,97,105 |
| Less: Current maturities of long term borrowings | 27,89,41,671 | 95,53,53,912 |
| Total | 272,11,41,592 | 171,58,43,194 |

a) Details of security

- Vehicle loans Rs.26,68,401 (previous year Rs.27,00,381) is secured by hypothecation of vehicles purchased.
- Term-loan outstanding to the tune of Rs.6,00,00,000 (previous year Rs.11,00,00,000) is secured by exclusive hypothecation charge on construction materials and work in progress. Equitable mortgage of total land area of Ac 5.01 Gts with proposed construction of 23 Villas with total build up area of 78335.71 sq.feet belonging to G.Yoganand, Managing Director and Manjeera Estates Private Limited including land measuring 6998.37 sq.yards covering above villas out of total land area of Ac. 5.01 Gts besides assignment of developmental right over the entire project. Present interest at 12.75% with monthly vests. Margin 44% for construction and 51% for overall project including advance from buyers. Term Loan repayable in five quarterly equal installments after a moratorium of 12 months from the date of first disbursement. Personal guarantee of G.Yoganand, Managing Director.
- Term-loan outstanding to the tune of Rs.Nil (previous year Rs.18,33,341) is secured by hypothecation of 2 Nos. of 250 KVA DG sets with its cabling and erected at Residential Project "Manjeera Trinity Homes", Kukatpally valuing Rs.40.5 lacks. Repayable in 36 Nos. of equal monthly installments with nil moratorium period. Personal guarantee of Managing director and corporate guarantee of Manjeera Estates Private Limited. Interest presently at 12.75% with monthly vests.
- The Company has allotted 367,647 CCDs of face value ₹1,000 each fully paid up at par to Trinity Capital (Six) Limited. The CCDs were allotted as follows: 245,098 on 22 March 2007 and 122,549 on 29 November 2007. Pursuant to the terms of the debenture subscription agreements (as amended), the CCDs carry a coupon rate of 14% per annum, which shall accrue on achieving the positive cash flows for all the projects undertaken by the Company since its inception. Pursuant to the terms of allotment, CCDs shall be mandatorily convertible into equity shares of ₹10 each fully paid-up, post expiry of 36 months from the closing date as per the then lowest certifiable value based on the valuation guidelines. Pursuant to the terms of the Debenture Sale Agreement dated 17 December 2013 entered between MCL, TC6L, MTM Estates and Properties Private Limited and the Company, the outstanding debentures held by TC6L in the Company shall be acquired by MCL.
- The Company has allotted 16000 NCDs of face value ₹1,00,000 each fully paid up at par to Piramal Fund Management Pvt Ltd Company towards 160 crores amount sanctioned by them as part of 1st Tranch. The NCDs were allotted as follows: 16,000 on 2nd March 2017. Pursuant to the terms of the debenture subscription agreement, the NCDs carry a coupon rate of 18% per annum compounded quarterly. Also ₹ 3 crore is sanctioned to the company as part of 2nd Tranch, however no allotment was made as on 31 March 2017. These are repayable in quarterly installments upto September 2020.
- Term loan amounting to ₹Nil (31 March 2016: ₹1,142,976,775) was secured by way of equitable mortgage of Manjeera Trinity Corporate building ("MTC"), Hyderabad, one of the projects of the Company and construction thereon, hypothecation of machinery/equipment, corporate guarantee of MCL and personal guarantee of Mr. G.Yoganand, Managing Director. The loan carried interest of 14% per annum.
- Term loan amounting to ₹950,685,969 (31 March 2016: ₹978,467,085) is secured by way of equitable mortgage of Manjeera Trinity Mall ("MTM"), Hyderabad, assignment of future rental income of 12 years from MTM, corporate guarantee of MCL and personal guarantee of Mr. G.Yoganand, Managing Director. The loan carries interest linked to the lender lending rate which is currently 10.7% per annum (31 March 2016: 11.25% per annum). The loan is repayable in 138 monthly structured installments as per the agreement beginning 31 December 2014.
- Term loan amounting to ₹9,000,000 (31 March 2016: ₹45,853,133) is secured by exclusive equitable mortgage of immovable property of 52,565 square feet of office space and undivided share of land located in Manjeera Majestic Commercial ("MMC"), Hyderabad, corporate guarantee of MCL and personal guarantee of Mr. G.Yoganand, Managing Director. The loan carries interest linked to the lender lending rate which is currently 14.05% per annum (31 March 2016: 14.45% per annum) and is repayable in 11 quarterly installments beginning October 2014.
- Term loan amounting to ₹Nil (31 March 2016: ₹2,778,477) was secured by way of mortgage of unsold space of 20,084 square feet in MMC, corporate guarantee of MCL and personal guarantee of Mr. G.Yoganand, Managing Director. The loan carried interest of 16.95% per annum.
- Term loan amounting to ₹17,215,317 (31 March 2016: ₹18,940,913) is secured by way of mortgage of unsold space of 10,772 square feet in MMC with undivided share of land of 268 square yards and assignment of future rental income of 9 years from MMC shop number 12, and a personal guarantee of Mr. G.Yoganand, Managing Director. The loan carries interest linked to the lender lending rate which is currently 12.75% per annum (31 March 2016: 12.75%) and is repayable in 85 monthly installments beginning from July 2015.
- Term loan amounting to ₹800,306 (31 March 2016: ₹Nil) is secured by way of hypothecation of vehicle (Honda City) and carries interest linked to the lender lending rate which is 10.35% per annum and is repayable in 60 monthly installments commencing from May 2016.
- Unsecured term loan amounting to ₹24,939,064 (31 March 2016: ₹24,739,556) taken from Cinopolis India Private Limited ("CIPL") carries an interest of 15% per annum for first six months and 24% per annum thereafter (31 March 2015: 24% per annum). However, CIPL has waived off the additional interest payable at 9% per annum and has charged interest at the rate of 15% per annum from the commencement of the loan term. The said loan is secured by way of corporate guarantee of Manjeera Construction Limited.

b) Repayment schedule*

| | | |
|---------------|---------------|---------------|
| upto 1 year | 27,89,41,671 | 95,53,53,912 |
| 2 to 5 years | 175,77,34,036 | 64,96,05,215 |
| Above 5 years | 59,57,60,556 | 69,85,66,806 |
| | 263,24,36,263 | 230,35,25,933 |

*excluding CCDs.

c) Period and amount of continuing default as on the Balance Sheet date:

| | | |
|---|-------------|-------------|
| Term loans from banks-delay 1-210 days | 6,68,94,831 | 6,60,88,872 |
| Interest on term loan from banks-range of delay 1 - 90 days | 2,86,57,018 | 4,13,25,831 |

6 Deferred tax liabilities (net)

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|---|---------------------|---------------------|
| a) Deferred tax liability | | |
| - Difference between book and tax balance of fixed assets | 51,95,228 | 7,96,78,547 |
| b) Deferred tax asset | | |
| - Brought forward losses and unabsorbed depreciation | - | 7,38,87,522 |
| - Employee benefits provision | 6,01,748 | 10,81,234 |
| Deferred tax liabilities (net) : (a) - (b) | 45,93,479 | 47,09,791 |

The Group has been recognising in the Consolidated financial statements the Deferred tax assets/liabilities, in accordance with Accounting Standard (AS) 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. During the year the Group has credited Rs.1,16,312 (Previous year credited Rs.59,75,233) to the Statement of Profit and Loss with deferred tax liability (Net).

7 Other-long term liabilities

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|----------------------------------|---------------------|---------------------|
| Security deposits from customers | 13,71,46,140 | 9,07,18,188 |

8 Long-term provisions

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|---------------------------------|---------------------|---------------------|
| Provision for employee benefits | | |
| Gratuity (Non-funded) | 29,22,494 | 17,48,116 |
| Compensated absences | 10,60,732 | 8,63,181 |
| Total | 39,83,226 | 26,11,297 |

9 Short-term borrowings

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|---|----------------------|----------------------|
| Secured-Cash Credit from bank | 26,96,02,663 | 15,59,36,353 |
| Secured-Domestic Purchase bill factoring from others | 2,23,00,000 | 2,44,10,000 |
| Unsecured-Working capital loan | - | 24,00,00,000 |
| Unsecured-loan repayable on demand from related party (refer Note 40) | 73,08,10,591 | 69,12,16,958 |
| Unsecured-Inter-corporate deposits from others | 10,25,40,163 | 6,33,26,535 |
| Total | 112,52,53,416 | 117,48,89,845 |

*(Relates to Inter-corporate deposits from a Private Limited company in which managing director is a director)

a) Details of security

- Cash credit is secured by hypothecation of current assets of construction contract business division (excluding assets of real estate division). Margin 25%. Rate of interest-Bench Mark 1 year MCLR of the bank plus spread of 2.5% chargeable on monthly rests.)
- Domestic purchase bill factoring is secured by collateral security with minimum asset cover of 2.5 times of the entire facility of Rs. 7.5 crore by pledge of shares of promoters of Company and partly by equitable mortgage of Commercial property owned by Manjeera Estates Private Limited. Personal Guarantee of G.Yoganand, Managing director and corporate guarantee of Gajjala Investment and Holdings Private Limited and Manjeera Estates Private Limited.
- Unsecured inter-corporate deposit amounting to ₹10,000,000 (31 March 2016: ₹4,000,000) taken from Gowra Aerospace Technologies Private Limited carries interest rate of 24% per annum (31 March 2016 : 24%).
- Unsecured working capital loan amounting to ₹Nil (31 March 2015: ₹240,000,000) was secured by way of corporate guarantee of MCL and personal guarantee of Mr. G.Yoganand, Managing Director. The loan carried interest of 18.5% per annum.
- Unsecured loans taken from related parties carries interest of 18% per annum compounded on quarterly basis and are repayable on demand.

b) Period and amount of continuing default

| | | |
|---|---|-------------|
| Domestic Purchase bill factoring from others-range of delay: 53 - 74 days | - | 1,12,90,000 |
| Inter-corporate deposit-range of delays: 1 - 1095 days | - | 2,47,39,556 |
| Interest on Inter-corporate deposit-range of delays: 1 - 1095 days | - | 1,38,06,959 |

10 Trade payables

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|---|---------------------|---------------------|
| Retention monies retained - contractors | 1,43,28,140 | 6,35,90,225 |
| Sub-contracted works payable | 5,87,93,477 | 4,59,29,210 |
| Contracted works payable | 2,51,87,460 | 5,12,41,152 |
| Trade payable - goods purchased | 20,60,79,142 | 8,84,41,242 |
| Trade payable - services rendered | - | 5,40,999 |
| Employee benefits payable* | 15,82,822 | 30,35,271 |
| Other payables | 56,49,158 | 1,74,58,021 |
| Total | 31,16,20,198 | 27,02,36,120 |

* (Includes amount due to related party Rs.Nil (31 March, 2016 Rs.17,36,175 - refer note 40)

11 Other current liabilities

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|----------------------|----------------------|
| Current maturities of long-term debt: | | |
| Secured-Term Loan from banks | 27,83,54,132 | 95,48,93,986 |
| Secured-Vehicle loans from banks | 5,87,539 | 4,59,926 |
| Interest accrued but not due on borrowings | 7,21,224 | 70,34,838 |
| Interest accrued and due on borrowings | 2,96,50,088 | 5,90,52,177 |
| Statutory dues | 17,15,67,065 | 4,68,81,449 |
| Advances from customers | 33,47,46,771 | 68,08,50,696 |
| Refunds to customers | - | 1,87,38,393 |
| Corpus fund collections | 70,70,000 | 62,60,000 |
| Advances from others | 6,90,67,389 | 7,83,43,625 |
| Revenue Share payable | 26,70,12,138 | 44,79,50,649 |
| Security deposit | 3,34,80,704 | 4,81,83,473 |
| Book overdraft | 1,54,39,900 | 1,71,72,247 |
| Audit fee payable | 23,000 | - |
| Others | 2,12,581 | - |
| Total | 120,79,32,531 | 236,58,21,459 |

12 Short-term provisions

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|---------------------|---------------------|
| Current portion of employee benefits | | |
| - Gratuity | 2,94,958 | 5,21,353 |
| - Compensated absence | 1,53,860 | 1,72,914 |
| Provision for Income tax (net of taxes paid) | 2,95,19,860 | 97,17,246 |
| Total | 2,99,68,678 | 1,04,11,513 |

14 Non-current investments

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|---------------------|---------------------|
| (Unquoted and at cost) | | |
| Other Investments in GM Infra Ventures Private Limited, Associate: | | |
| i) 10,26,000 (13,68,000) equity shares of Rs.10 each fully paid up | 2,89,22,400 | 4,24,22,400 |
| Add: Share in accumulated profits | 4,04,94,420 | 3,02,48,028 |
| Total | 6,94,16,820 | 7,26,70,428 |

Note: 13 Fixed Assets

(In Rupees)

| | TANGIBLE | | | | | | | | | | INTANGIBLE | | Total Assets | |
|------------------------------|--------------|---------------|---------------------|------------------------|-------------|------------------|-----------|----------------------|---------------|-------------------|---------------|--|--------------|--|
| | Land* | Building | Plant and equipment | Furniture and fixtures | Vehicles | Office equipment | Computers | Electrical equipment | Total | Computer software | | | | |
| GROSS BLOCK | | | | | | | | | | | | | | |
| As at 01 April 2016 | 44,47,93,006 | 111,21,19,014 | 34,50,31,189 | 3,91,65,491 | 1,25,86,085 | 40,26,798 | 52,30,030 | 6,95,96,097 | 203,25,47,710 | 11,70,854 | 203,37,18,564 | | | |
| Additions | | 1,38,61,246 | - | 24,72,990 | 14,05,000 | 1,92,550 | 7,70,149 | - | 1,87,01,935 | 56,13,806 | 2,43,15,741 | | | |
| Disposals/ Adjustments | | | | | | | | | | | | | | |
| As at 31 March 2017 | 44,47,93,006 | 112,59,80,260 | 34,50,31,189 | 4,16,38,481 | 1,39,91,085 | 42,19,348 | 60,00,179 | 6,95,96,097 | 205,12,49,644 | 67,84,660 | 205,80,34,304 | | | |
| DEPRECIATION | | | | | | | | | | | | | | |
| Up to 31 March 2016 | - | 4,06,79,834 | 7,16,84,232 | 1,10,84,896 | 78,02,391 | 33,82,618 | 50,56,456 | 1,45,91,053 | 15,42,81,480 | 11,25,741 | 15,54,07,221 | | | |
| For the Year | - | 1,84,65,429 | 2,08,49,610 | 48,12,919 | 14,83,065 | 3,26,251 | 2,86,801 | 68,44,345 | 5,30,68,421 | 16,26,491 | 5,46,94,912 | | | |
| On Disposals/ Adjustments | | | | | | | | | | | | | | |
| Up to 31 March 2017 | - | 5,91,45,263 | 9,25,33,842 | 1,58,97,815 | 92,85,456 | 37,08,869 | 53,43,257 | 2,14,35,398 | 20,73,49,901 | 27,52,232 | 21,01,02,133 | | | |
| NET BLOCK | | | | | | | | | | | | | | |
| As at 31 March 2017 | 44,47,93,006 | 106,68,34,997 | 25,24,97,347 | 2,57,40,666 | 47,05,629 | 5,10,479 | 6,56,922 | 4,81,60,699 | 184,38,99,744 | 40,32,428 | 184,79,32,172 | | | |
| As at 31 March 2016 | 44,47,93,006 | 107,14,39,180 | 27,33,46,957 | 2,80,80,595 | 47,83,694 | 6,44,180 | 1,73,574 | 5,50,05,044 | 187,82,66,230 | 45,113 | 187,83,11,343 | | | |

*Represents land purchased pursuant to the development agreement with the Andhra Pradesh Housing Board, which is pending registration as at 31 March 2017.

15 Long-term loans and advances (unsecured, considered good)

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--------------------------------------|---------------------|---------------------|
| Advance for Development of Property | 13,30,00,000 | 11,65,00,000 |
| Electricity and other deposits | 4,91,202 | 4,91,202 |
| Security deposits | 1,49,58,159 | 1,39,84,852 |
| Advance tax (net of provision) | 4,66,84,286 | 3,50,45,042 |
| Deposits with Government authorities | 45,48,305 | 45,48,305 |
| MAT credit entitlement | 38,42,000 | 38,42,000 |
| Total | 20,35,23,952 | 17,44,11,401 |

16 Other non-current assets (unsecured, considered good)

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|---------------------|---------------------|
| Deposits with maturity of more than 12 months* | – | 3,68,93,119 |
| Unamortised expenses | 70,57,728 | 80,34,718 |
| Total | 70,57,728 | 4,49,27,837 |

*(Represents deposits held as collateral against the borrowings)

17 Inventories

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|----------------------|----------------------|
| (As certified by Management and valued as per Accounting Policy Note 2H) | | |
| Space held for sale (Projects) | | |
| Manjeera Heights – Phase I | 22,42,743 | 22,42,743 |
| Manjeera Trinity Homes | 4,98,46,031 | 10,66,16,664 |
| Property development-in-progress (Projects) | | |
| Manjeera Diamond Villas* | 20,21,35,575 | 20,66,70,499 |
| Manjeera Monarch | 16,72,66,273 | 2,88,11,577 |
| Yelahanka, Bangalore | 3,14,46,635 | 2,98,81,249 |
| Infrastructure Works | 1,35,03,583 | 1,62,58,561 |
| Properties under development* | 327,08,75,699 | 395,96,41,937 |
| Hydro power project (In Progress) | 47,14,323 | 47,14,323 |
| Kothaguda – Retained Land & allotted Construction cost | 2,76,57,170 | 1,01,60,385 |
| Building materials and consumables | 69,78,106 | 76,57,116 |
| Total | 377,66,66,138 | 437,26,55,053 |

*(Includes interest expenses inventorised to the tune of Rs.43,43,87,538 (31 March, 2016 Rs.40,69,68,341) during the year on qualifying properties on development)

18 Trade receivables

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|---------------------|---------------------|
| Amounts due for a period exceeding six months | | |
| Unsecured, considered good | 23,23,19,990 | 11,24,55,413 |
| Unsecured, considered doubtful | 36,90,495 | 99,14,774 |
| Less: Provision for doubtful receivables | (36,90,495) | (99,14,774) |
| Other receivables (unsecured, considered good) | 35,49,21,156 | 7,34,05,059 |
| Total | 58,72,41,146 | 18,58,60,472 |

19 Cash and Bank balances

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|---|---------------------|---------------------|
| Cash and cash equivalents | | |
| Cash on hand | 4,15,574 | 3,10,843 |
| Balances with banks in current accounts | 3,13,08,386 | 2,47,04,655 |
| | 3,17,23,960 | 2,50,15,497 |
| Other bank balances | | |
| Deposits with maturity more than 3 months but less than 12 months | 5,10,53,680 | 3,71,73,240 |
| Total | 8,27,77,640 | 6,21,88,737 |

20 Short-term loan and advances (unsecured, considered good)

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|--|---------------------|---------------------|
| Loan to related parties* (refer Note 40) | 30,00,000 | – |
| Advance for contracted works | 4,48,48,697 | 90,75,150 |
| Advance for goods | 1,01,49,648 | 1,02,11,347 |
| Advance for expenses | 29,23,595 | 90,000 |
| Sales Tax deposits | 13,44,146 | 13,44,146 |
| Mobilisation advance paid | 10,98,746 | 17,49,667 |
| Maintenance works | 1,81,58,516 | 2,04,08,210 |
| Other receivables | 2,53,22,297 | 1,92,64,116 |
| Prepaid expenses | 1,02,51,940 | 1,39,56,871 |
| Staff advance | 25,04,346 | 18,09,309 |
| Total | 11,96,01,931 | 7,79,08,818 |

21 Other current assets (unsecured, considered good)

(In Rupees)

| | As at 31-03-2017 | As at 31-03-2016 |
|------------------------------|---------------------|---------------------|
| Other advances | 917 | 917 |
| Unamortised expenses | 29,27,816 | 36,37,823 |
| Interest accrued but not due | 20,34,042 | 8,44,209 |
| Accrued revenue receivables | – | 8,15,892 |
| Preliminary expenses | 43,220 | 43,220 |
| Total | 50,05,995 | 53,42,061 |

22 Revenue from operations

(In Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|--|----------------------------------|----------------------------------|
| Revenue from sale of residential spaces (projects) | 153,71,67,752 | 12,69,62,854 |
| Contract receipts (projects) | 41,51,318 | 37,42,990 |
| Sub-contracted contract receipts (projects) | 17,02,37,931 | 20,28,51,897 |
| Wind-mill energy sales | 48,98,600 | 44,00,189 |
| Sale of services | | |
| - Rental income | 15,00,28,108 | 12,97,13,146 |
| - Maintenance and other charges | 15,02,34,500 | 15,37,97,681 |
| Total | 201,67,18,209 | 62,14,68,757 |

23 Other income

(In Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|---|----------------------------------|----------------------------------|
| Interest income on bank deposits | 51,81,606 | 64,04,769 |
| Profit on sale of fixed assets | – | 2,56,619 |
| Credit balance written back | – | 55,36,265 |
| Premium on Debentures redeemed by associate | – | 3,24,00,000 |
| Gain on buyback of shares by associate | 55,97,280 | 42,75,000 |
| Sale of scrap | 22,27,158 | 5,97,424 |
| Liabilities no longer-required, written back | 85,90,368 | – |
| Provision for doubtful receivables written back | 62,24,279 | – |
| Miscellaneous income | 3,07,895 | 1,03,238 |
| Total | 2,81,28,586 | 4,95,73,315 |

24 Cost of sales and contract expenses

(In Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|---|----------------------------------|----------------------------------|
| Cost of sale of residential spaces (Projects) | 138,32,83,256 | 12,34,00,655 |
| Contract expenses (Projects) | 45,30,125 | 32,72,449 |
| Sub-contracted contract expenses (Projects) | 15,45,28,581 | 18,95,14,687 |
| Wind-mill energy expenses | 9,27,896 | 10,30,128 |
| Total | 154,32,69,859 | 31,72,17,918 |

25 Operating expenses

(In Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|----------------------------------|----------------------------------|----------------------------------|
| Power and fuel | 7,15,82,090 | 5,69,55,916 |
| Rent | 5,13,47,873 | 3,32,04,510 |
| Legal and professional charges | 3,35,46,548 | 67,28,648 |
| Repairs and maintenance - others | 1,86,83,583 | 57,60,976 |
| Rates and taxes | 4,48,68,843 | 1,51,47,516 |
| Security charges | – | 70,79,600 |
| Facilities maintenance | 1,85,53,802 | 1,69,64,740 |
| Total | 23,85,82,739 | 14,18,41,906 |

26 Employee benefits expense

(In Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|--|----------------------------------|----------------------------------|
| Salaries and wages | 3,92,71,661 | 2,99,54,037 |
| Contribution to provident fund and other funds | 29,38,776 | 20,60,777 |
| Staff welfare expenses | 8,37,863 | 86,171 |
| Directors remuneration | 18,00,000 | 18,00,000 |
| Total | 4,48,48,300 | 3,39,00,985 |

27 Finance cost

(In Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|-----------------------------|----------------------------------|----------------------------------|
| Interest expense | | |
| On vehicle term loan | 3,11,086 | 87,017 |
| On cash credit | 3,34,88,267 | 2,20,07,403 |
| On term loans | 7,88,62,879 | 10,31,13,630 |
| On Inter-corporate deposits | 3,24,79,915 | 88,65,789 |
| Other borrowing costs | | |
| On processing charges | 30,875 | 16,18,641 |
| Total | 14,51,73,022 | 13,56,92,481 |

28 Other expenses

(In Rupees)

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|------------------------------------|----------------------------------|----------------------------------|
| Filing fees | 1,13,654 | 2,16,069 |
| Travel and conveyance | 52,70,385 | 60,25,151 |
| Vehicle maintenance | 2,32,083 | 94,481 |
| Repairs and maintenance – others | 5,89,938 | 41,480 |
| Rates and taxes | – | 27,89,055 |
| Printing and stationery | 4,70,111 | 1,29,547 |
| Communication | 2,71,693 | 2,90,199 |
| Power and fuel | 18,68,051 | 16,08,188 |
| Office maintenance | 15,54,735 | 14,82,024 |
| Legal and Professional charges | 14,63,851 | 1,34,35,980 |
| Subscriptions and fees | 1,30,500 | 1,19,800 |
| Sitting fees | 1,11,750 | 65,250 |
| Security services | 1,02,57,001 | 31,15,238 |
| Insurance | 31,92,192 | 16,25,901 |
| Audit fee | | |
| Statutory audit fee | 13,36,492 | 10,50,000 |
| Tax audit fee | 70,000 | 1,40,000 |
| Other services | 1,10,000 | 2,80,000 |
| Selling expenses-Advertisement | 1,30,44,935 | 71,30,728 |
| Selling expenses-Commission | 1,60,61,718 | – |
| General expenses | 32,22,357 | 31,17,871 |
| Interest – Delayed | 1,32,65,392 | 1,24,41,120 |
| Bank charges and Commission | 6,26,642 | 5,66,047 |
| Tender expenses | – | 36,500 |
| Provision for doubtful receivables | – | 99,14,774 |
| Advances written-off | – | 47,83,668 |
| CSR Expenditure | 6,00,000 | – |
| Donations | 35,30,000 | 59,50,000 |
| Property Tax | 2,70,884 | 2,47,078 |
| Total | 7,76,64,363 | 7,66,96,149 |

29 Prior period items

| | For the year ended 31-03-2017 | For the year ended 31-03-2016 |
|-----------------|----------------------------------|----------------------------------|
| Rates and taxes | – | (31,98,247) |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1. Corporate Information

1.1 Manjeera Constructions Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) and its associate operates in the business of development and construction of real estate, civil construction contracts, infrastructure projects development and Windmill energy production. These consolidated financial statements comprise a consolidation of the accounts of Manjeera Constructions Limited (the Company), its subsidiaries and associate as listed below:

| Company | Relation | Country of Incorporation | Percentage (%) of holding by the Company as at | |
|--|------------|--------------------------|--|------------|
| | | | 31.03.2017 | 31.03.2016 |
| Manjeera Retail Holdings Private. Limited | Subsidiary | India | 51 | 51 |
| MTM Estates and Properties Private Limited | Subsidiary | India | 100 | 100 |
| GM Infra Ventures Private Limited | Associate | India | 36 | 36 |

The financial statements of the parent and its subsidiary MTM Estates and Properties Private Limited have been audited by the statutory auditors of the Company. The financials statements of the other subsidiary Manjeera Retail Holdings Private Limited and the associate have been audited by the other auditors whose audited financial statements along with auditor’s report having furnished to us.

1.2 Brief description of significant subsidiaries and associate

a) Subsidiaries

- i. Manjeera Retail Holdings Private Limited (“MRHPL”) is in the business of development and construction of real estate. Manjeera Constructions Limited and Trinity Capital (Six) Limited have entered into debenture cum subscription and shareholders agreement with the company and hold 51% and 49% respectively in the equity share capital of the company as at the balance sheet date. Further, Manjeera Constructions Limited also continues to financially support the company on a need basis.
- ii. MTM Estates and Properties Private Limited is in business of construction of property for mixed use.

b) Associate

GM Infra Ventures Private Limited is in the business of construction of property being developed for residential, retail and commercial purposes.

2 Significant Accounting Policies

A. Basis of preparation of consolidated financial statements

The consolidated financial statements of the Company and its subsidiaries (together the ‘Group’) have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year except to the extent as disclosed.

B. Principles of consolidation

The consolidated financial statements relate to Manjeera Constructions Limited (‘the Company’) and its subsidiary companies and associate. The consolidated financial statements have been prepared on the following basis:

- i. The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 – “Consolidated Financial Statements”.
- ii. The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
- iii. Minority Interest’s share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- iv. Minority Interest’s share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company’s shareholders.
- v. Investment in Associate companies has been accounted under the equity method as per Accounting Standard (AS) 23 – “Accounting for Investments in Associates in Consolidated Financial Statements”.

- vi. The Company accounts for its share in change in net assets of the associate, post-acquisition, after eliminating unrealised profits and losses resulting from transactions between the Company and its associate to the extent of its share, through its Statement of Profit and Loss to the extent such change is attributable to the associate' Profit or Loss through its reserves for the balance, based on available information.
- vii. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

C. Use of estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that effect the reported amount of assets and liabilities, disclosure of contingent liabilities and the reported amount of income and expenses during the year. Difference between the actual results and estimates are recognised in the periods in which the results are known / materialise.

D. Fixed assets

Tangible Assets

- a. Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its intended use.
- b. The cost and the accumulated depreciation for fixed assets sold, retired or otherwise disposed off are removed from the stated values and the resulting gains or losses, as the case may be are included in the Statement of Profit and Loss.
- c. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- d. Projects under which are assets are not ready for their intended use are shown as Capital work-in-progress.

Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition.

E. Depreciation and amortization

(i) Tangible assets

Depreciation has been provided on the useful life of its tangible assets as per the useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed.

(ii) Intangible assets

Intangibles are amortised on a written down value basis.

F. Impairment

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

G. Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

H. Inventories

Properties under development represent costs incurred in respect of unsold area of properties under development and costs incurred on projects/ portion of projects when revenue is yet to be recognised. Such costs include cost of land, development rights, direct materials, labour, borrowing costs and an appropriate portion of construction overheads based on normal operating capacity. Borrowing costs directly attributable to properties under development which necessarily take a substantial period of time to get ready for sale are considered. Any expected loss on real estate projects is recognised as an expense when it is certain that the total cost will exceed the total revenue.

Building materials and consumables are valued at cost. Cost of building materials and consumables comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

I. Foreign currency transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction;

and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on the settlement of monetary items or on the reporting of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

J. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the collectability is reasonably assured.

i) Real Estates Sales

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

- all critical approvals necessary for the commencement of the project have been obtained;
- the expenditure incurred on construction and development costs (excluding land cost) is not less than 25% of the total estimated construction and development costs;
- atleast 25% of the saleable project area is secured by the contracts/agreements with the buyer; and
- atleast 10% of the contracts/agreements value are realized at the reporting date in respect of such contracts/agreements.

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

ii) On construction contracts (undertaken as contractors)

The Company follows percentage completion method for accounting of Construction contracts undertaken. Price escalation is carried out in the year of settlement of claims/bills.

iii) Rental income

Rental income from leases with scheduled rent increases, incentives, and other rent adjustments is recognized on a straight-line basis over the respective lease term. Amounts recognized as income in the current year and expected to be received in later years is disclosed as "Accrued rental income". Amounts received in the current year but recognized as income in future years, are disclosed as "Unearned rental income". Recognition of rental income is commenced from the date determined based on terms of lease agreements.

iv) Tenant recoveries

Tenant recoveries related to maintenance and other charges are recognized on an accrual basis in accordance with the terms of the lease agreement with the tenant.

v) Interest on deployment of funds is recognized using the time-proportion method, based on interest rates implicit in the transaction.

vi) Dividend income is accounted when the right to receive dividend is established.

K. Employee benefits

i. Regular monthly contribution to Employees' Provident Fund Scheme which is in the nature of defined contribution plan is charged against revenue when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

ii. The Company provides for gratuity, a defined benefit obligation covering eligible employees. In accordance with the Payment of Gratuity Act, 1972, the Gratuity provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and tenure of employment.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognizes each year of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation is based on the market yield on government securities as at the balance sheet date. Actuarial gains/losses are recognized immediately in the statement of profit and loss.

The Liability with respect to the Gratuity Plan is determined based on actuarial valuation done by an independent actuary at the year end and any differential between the fund amount as per the insurer and actuarial valuation is charged to the statement of profit and loss.

- iii. Earned Leave encashment liability which is in the nature of defined benefit obligation are provided for on actuarial basis, based on independent actuarial valuation on Projected Unit Credit Method on the date of the financial statements as per the requirements of Accounting Standard-15 on “Employee Benefits”.

Actuarial gains/losses are recognized immediately in the Statement of Profit and Loss.

L. Operating leases

Leases where the lessor effectively retains substantially all the risks and rewards incidental to the ownership are classified as operating leases. Lease rents in respect of non-cancelable operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the lease term.

M. Taxes on income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses the unrecognized deferred tax assets. It recognizes the unrecognized deferred tax assets to the extent that it is reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit

Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

N. Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use are capitalized as part of the cost of such assets. Interest income earned on the temporary investment of specific borrowings pending its expenditure on qualifying assets is deducted from the costs of qualifying assets. Other borrowing costs are recognised as an expense, in the period in which they are incurred.

O. Provisions, contingent liabilities and contingent assets

Provision recognised in the accounts when there is a present obligation as a result of past event(s), and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

P. Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

Q. Earnings per share

‘Basic’ earnings per share are calculated by dividing the net profit or loss for the period attributable to the shareholders by the weighted average number of the equity shares outstanding at the year end.

‘Diluted’ earnings per share using the weighted average numbers of equity shares and dilutive potential equity shares outstanding at the year end, except when the result would be anti-dilutive.

R. Segment reporting

In case of subsidiary: The company’s operating businesses are organized and managed separately according to the nature of services provided with each segment representing a strategic business unit that offers different products and services. The analysis of geographical segments is based on the areas in which the company operates.

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

S. Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash and cash equivalents: Cash and cash equivalents in the cash flow statement comprise of cash at bank and on hand and include short term investments with an original maturity of three months or less.

T. Barter transactions:

Barter transactions are recognised at the fair value of consideration receivable or payable. When the fair value of the transactions cannot be measured reliably, the revenue/expense is measured at the fair value of the goods/services provided/received adjusted by the amount of cash or cash equivalent transferred.

30. Contingent liabilities

A. Claims against the Group not acknowledged as debt

- i) include demands raised by Income Tax authorities aggregating to Rs. Nil (Previous year Rs. 4,64,30,513).
- ii) In case of subsidiary:

- a. As stipulated in the development agreement entered with the Andhra Pradesh Housing Board ("the APHB"), the scheduled completion date of all the projects undertaken by the Company was 30 July 2009. However, on account of delays in receipt of approvals from statutory authorities, the Company made an application for extension of project completion date. The APHB has agreed to extend the time of completion of the projects, subject to a condition that the Company enters into a supplementary development agreement, which includes a condition of recalculating the fair value of the land consideration and charging some additional levies due to delays in execution of the project. However, pursuant to an application made by the Company and other developments in this regard, the matter has been referred to a Committee formed by APHB for this purpose. Accordingly, pending final outcome of the proceedings with the Committee, no adjustments have been considered necessary in the financial statements.
- b. In accordance with the terms and conditions of the Debenture cum Share Subscription and Shareholders Agreement dated 24 January 2007, the interest on CCD's shall accrue to the holders of the instruments only on occurrence of certain uncertain future events which are not considered to be probable as at 31 March 2017. Accordingly, no adjustments have been made to these financial statements in respect of interest on CCDs.
- c. On 8 December 2016, officer from the Directorate General of Central Excise Intelligence (DGCEI), Hyderabad Zonal Unit, conducted a search operation under Section 82 of the Finance Act, 1994 on the Company's premises and collected certain information/records. However, the Company has not received any correspondence subsequently from the DGCEI and believes that the search operation will not have any impact upon the financial statements.

B. Bank Guarantees on account of contractors not provided for Rs. 3,42,61,966 (previous year Rs. 30,82,90,454).

31. Commitments:

In case of subsidiary:

- a) Enters into construction contracts with its service providers. The final amounts payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed. Estimated amount of contracts (net of advances) remaining to be executed on account of balance construction work not provided for Rs. 31,188,733 (31 March 2016: Rs. 24,82,87,301).
- b) Refer note 31 for commitments under lease contracts.

32. Operating leases as a lessee and lessor

In case of the subsidiary:

a) As lessee

The company has entered into non-cancellable operating lease agreements with lessors for lease of premises. Further, the company has an option for renewal and agreements provide for rent escalation.

Future minimum rentals payable under non-cancellable operating leases are as follows:

| | As at 31 March | |
|---|----------------|-----------|
| | 2017 | 2016 |
| Not later than one year | - | 71,52,108 |
| Later than one year and not later than five years | - | - |
| Later than five years | - | - |
| | - | 71,52,108 |

b) As lessor

The Company lets out premises along with plant and machinery, furniture and fixtures to tenants under operating lease. The non-cancellable leases have remaining terms of 1 to 3 years. Further, the lessee may have an option for renewal and rent escalation.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

| | As at 31 March | |
|---|----------------|--------------|
| | 2017 | 2016 |
| Not later than one year | 4,34,49,631 | 9,18,50,318 |
| Later than one year and not later than five years | 27,50,90,41 | 6,85,75,217 |
| Later than five years | - | - |
| | 7,09,58,672 | 16,04,25,535 |

c) Disclosures in respect of assets leased by the company

| | As at 31 March | |
|---------------------------|----------------|---------------|
| | 2017 | 2016 |
| Gross carrying amount: | | |
| Land | 44,46,25,000 | 44,46,25,000 |
| Buildings | 110,97,06,347 | 109,58,45,101 |
| Plant and machinery | 29,22,67,173 | 28,95,72,634 |
| Electrical equipment | 6,72,62,386 | 6,72,62,386 |
| Furniture and fixtures | 3,57,25,903 | 3,52,14,690 |
| Accumulated depreciation: | | |
| Land | - | - |
| Buildings | 5,25,44,472 | 3,43,54,112 |
| Plant and machinery | 5,51,07,460 | 3,50,99,269 |
| Electrical equipment | 1,99,19,265 | 1,27,81,897 |
| Furniture and fixtures | 1,39,28,248 | 82,50,713 |

33. Micro, Small and Medium enterprises

The identification of Micro, Small and Medium Enterprise suppliers as defined under the provisions of "The Micro, Small and Medium Enterprises Development Act, 2006" is based on Management's knowledge of their status.

The Group has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small or Medium Enterprises. Consequently the amount paid / payable to these parties during the year and previous year is Nil.

34. Details of Specified Bank Notes (SBN) held and transacted during the period 08-11-2016 to 30-12-2016 is as under:

| | SBNs* | Other denomination notes | Total |
|---|--------|--------------------------|------------|
| Closing cash in hand as on 8 November 2016 | 2,500 | 3,22,943 | 3,25,443 |
| Add: Permitted receipts | - | 27,60,310 | 27,60,310 |
| Less: Permitted payments | - | - | - |
| Less: Amount deposited in Banks | -2,500 | -16,25,270 | -16,27,770 |
| Closing cash in hand as on 30 December 2016 | - | 14,57,983 | 14,57,983 |

35. Proposed scheme of arrangement

In the case of subsidiary: The Board of Directors of the Company at their meeting held on 12 June 2013 had approved a Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956, pursuant to which the Manjeera Trinity Mall ('Mall'), one of the projects of the Company is proposed to be vested into MTM Estates and Properties Private Limited, a fellow subsidiary of the Company with the Appointed date as 1 April 2013. The Scheme of Arrangement was filed with the Honorable High Court of the combined state of Andhra Pradesh and Telangana, which was subsequently dismissed vide its order date 15 June 2015. The management does not intend to demerge the Mall any longer, hence the operations are not considered as discontinuing during the year.

36. Disclosure as per AS 7 'Construction Contracts'

The Group followed percentage completion method consistently for accounting of construction contracts undertaken.

| | For the Year ended 31.03.2017 | For the Year ended 31.03.2016 |
|---|----------------------------------|----------------------------------|
| Contract revenue recognized during the year | 17,43,89,249 | 20,64,94,887 |
| Contracts in progress: | As at 31.03.2017 | As at 31.03.2016 |
| Aggregate of revenue recognized | 43,60,19,841 | 26,16,30,592 |
| Aggregate of contract costs incurred | 39,43,43,843 | 23,52,85,137 |
| Advances received | - | 50,34,087 |
| Retention money | 93,41,199 | 1,27,40,,437 |
| Gross amount due from customers | 16,14,150 | 1,96,76,725 |

37. Employee benefits:

Defined Contribution plans

The Group makes Provident Fund and Employee State Insurance scheme contributions to the relevant authorities, which are defined contribution plans for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group has recognised Rs. 20,37,130 (Previous year Rs. 13,87,772) for Provident Fund contributions and Rs. 2,37,012 (Previous year Rs. 1,53,680) for Employee State Insurance in the Statement of Profit and Loss.

In respect of the Company, the following table set out the unfunded status of the retirement benefits plans and the amount recognised in the financial statements:

i) Change in defined Benefit Obligation:

| | Gratuity (Unfunded) | | Compensated Absences (Unfunded) | |
|---|---------------------|------------|---------------------------------|------------|
| | 2016-17 | 2015-16 | 2016-17 | 2015-16 |
| Defined Benefit obligation at beginning of the year | 22,62,730 | 14,30,386 | 10,42,835 | 3,72,828 |
| Current Service Cost | 8,42,506 | 2,20,778 | 3,80,632 | 2,40,636 |
| Interest Cost | 1,71,256 | 1,11,141 | 79,424 | 28,969 |
| Actuarial (gain) / loss | 1,03,191 | (2,12,304) | (2,26,169) | (2,93,227) |
| Benefits paid | (1,62,231) | (4,66,882) | (62,130) | (17,484) |
| Defined Benefit obligation at year end | 32,17,453 | 10,83,119 | 12,14,592 | 3,31,723 |

ii) Amount recognized in the Balance Sheet:

| | Gratuity (Unfunded) | | Compensate Absences (Unfunded) | |
|------------------------------------|---------------------|-------------|--------------------------------|----------|
| | As at 31st March | | As at 31st March | |
| | 2017 | 2016 | 2017 | 2016 |
| Fair value of Plan assets | - | - | - | - |
| Present value of obligation | 32,17,453 | 10,83,119 | 12,14,592 | 3,31,723 |
| Amount recognised in Balance Sheet | (32,17,453) | (10,83,119) | 12,14,592 | 3,31,723 |

iii) Expenses recognised in Statement of Profit and Loss:

| | Gratuity (Unfunded) | | Compensated Absences (Unfunded) | |
|--------------------------------|---------------------|------------|---------------------------------|------------|
| | 2017 | 2016 | 2017 | 2016 |
| Current Service Cost | 8,42,506 | 2,20,778 | 5,32,093 | 2,40,636 |
| Interest Cost | 1,71,256 | 1,11,141 | 1,34,479 | 28,969 |
| Expected return on Plan assets | - | - | - | - |
| Actuarial (gain) / loss | 1,03,191 | (2,12,304) | (2,31,943) | (2,93,227) |
| Other Transfer | - | - | - | - |
| Net Cost | 11,16,953 | 1,19,615 | 4,34,629 | (23,621) |

iv) Principal Actuarial assumptions:

| | Gratuity (Unfunded) | | Compensated Absences (Unfunded) | |
|--|---------------------|------------|---------------------------------|------------|
| | 2016-17 | 2015-16 | 2016-17 | 2015-16 |
| Mortality Table | 2006-08 | 2006-08 | 2006-08 | 2006-08 |
| | (Ultimate) | (Ultimate) | (Ultimate) | (Ultimate) |
| Discount rate (per annum) | 7.50% | 7.77% | 7.50% | 7.77% |
| Expected rate of return on plan assets (per annum) | 5% | 5% | 5% | 5% |
| Rate of escalation in salary (per annum) | 5% | 5% | 5% | 5% |

v) Amounts recognised in current year and previous four years

| Particular | As at 31st March | | | |
|--|------------------|------------|------------|------------|
| | 2017 | 2016 | 2015 | 2014 |
| Gratuity | | | | |
| Defined benefit obligation | 32,17,453 | 10,83,119 | 14,30,386 | 15,47,869 |
| Fair value of plan assets | - | - | - | - |
| Surplus / Deficit in the plan | 32,17,453 | 10,83,119 | 14,30,386 | 15,47,869 |
| Actuarial (gain) / loss on plan obligation | 1,03,191 | (2,12,304) | (4,58,243) | (3,84,647) |

vi) The expected contributions for Defined Benefit Plan for the next financial year will be in line with the current year.

Notes:

1. The discount rate is based on the prevailing market yield of Indian Government Securities as at the balance sheet date for the estimated term of obligations.
2. The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

38. Segment reporting

The Company's operations fall within a single business segment "Development and sale of residential" and single geographical segment and therefore segment information as required under AS-17 is not applicable.

In the case of Subsidiary:

a) Business segments:

The Company has disclosed business segment as the primary segment for reporting. Segments have been identified taking into account the nature of activities of the Company, the differing risks and returns, the organization structure and internal reporting system.

The Company's operations predominantly relate to "Development and sale of residential, retail and commercial space" and "Leasing and maintenance of commercial space".

Business segment disclosures for the year ended 31 March 2017

| Particulars | Development and sale of residential, retail and commercial space | Leasing and maintenance of commercial space (Discontinued operations) | Eliminations | Total |
|---|--|---|--------------|----------------|
| External sales | 1,37,22,41,661 | 30,02,62,608 | - | 1,67,25,04,249 |
| Internal sales | - | - | - | - |
| Segment revenue | 1,37,22,41,661 | 30,02,62,608 | - | 1,67,25,04,249 |
| Segment result | 12,44,12,781 | 5,43,20,163 | - | 17,87,32,944 |
| Other income | | | | 1,90,67,442 |
| Finance costs | | | | 11,39,03,690 |
| Un-allocable expenditure | | | | 12,34,76,773 |
| Loss before tax | | | | (4,01,50,633) |
| Tax benefit | | | | - |
| Loss after tax | | | | (4,01,50,633) |
| Other information | | | | |
| Segment assets | 3,72,50,66,277 | 190,11,15,520 | - | 5,62,61,81,797 |
| Un-allocable assets | | | | 14,55,09,655 |
| Total assets | | | | 5,77,16,91,452 |
| Segment liabilities | 45,01,86,569 | 22,70,20,639 | - | 67,72,07,208 |
| Un-allocable liabilities | | | | 4,30,12,14,796 |
| Total liabilities | | | | 4,97,84,22,004 |
| Capital expenditure | - | 1,38,61,246 | - | 1,38,61,246 |
| Depreciation expense | 11,45,835 | 4,89,72,600 | 5,01,866 | 5,06,20,301 |
| Non-cash expenses other than depreciation | - | - | - | - |

b) Geographical segment:

During the year, the Company has operated primarily in India. The conditions prevailing in India being uniform, no separate geographical segment disclosure is considered necessary.

39. In case of subsidiary, during the year ended 31 March 2017, management has capitalised interest cost aggregating to ₹487,034,597 (31 March 2016: ₹370,457,089) to the properties under development. Management, on the basis of assessment of the progress of the construction, is of the view that there is active development of various projects, hence criteria for inventorisation of interest are met. Properties under development as at 31 March 2017 includes interest inventorised amounting to ₹604,113,622.

40. Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are:

(a) List of related parties and nature of the relationship:

| | Name of the Related Party | Nature of Relationship |
|----|--|---|
| 1 | GM Infra Ventures Private Limited | Associate company |
| 2 | G.Yoganand – Managing Director | Key Management Person |
| 3 | K.Krishna Murty – Director | Key Management Person |
| 4 | DLS Sreshti – Independent Director | Key Management Person |
| 5 | G.Vivekanand – Director | Key Management Person (w.e.f 30.09.2015) |
| 6 | G.Padmaja – Director | Key Management Person |
| 7 | D.Kiran Kumar | Key Management Person |
| 8 | R.Venkata Rao – Chief financial officer | Key Management Person (up to 12.11.2016) |
| 9 | Sucharitra Sahoo – Company secretary | Key Management Person (wef 30.05.2016) |
| 10 | Manjeera Estates Private Limited | Entity under significant influence of KMP |
| 11 | Manjeera Hotels and Resorts Private limited | Entity under significant influence of KMP |
| 12 | Gajjala Investments & Holdings Private Limited | Entity under significant influence of KMP |
| 13 | Aashraya Hotels And Estates Private Limited | Entity under significant influence of KMP |
| 14 | Manjeera Projects | Entity under significant influence of KMP |
| 15 | Trinity Capital (Six) Limited (TC6L) | Entity under significant influence of KMP |
| 16 | ATC Property Maintenance Private Limited (ATC) | Entity under significant influence of KMP |
| 17 | Gowra Aerospace Private Limited | Entity under significant influence of KMP |

Related Parties have been identified by the management.

(b) Details of transactions during the year and balances at year end with related parties

| Transactions | Associate company | Key management person | Entity Under Significant Influence |
|---|-------------------|-----------------------|------------------------------------|
| (A) Transaction during the year | | | |
| a) Other Income | | | |
| Premium on redemption of debentures – GM Infra Ventures Private Limited | – | – | – |
| | (3,24,00,000) | – | – |
| Profit on buy back of shares – GM Infra Ventures Private Limited | 55,97,280 | – | – |
| | (42,75,000) | – | – |
| ‘b) Sale of properties | | | |
| Manjeera Hotels and Resorts Private Limited | – | – | – |
| | – | – | (7,58,83,000) |
| Manjeera Estates Private Limited | – | – | – |
| | – | – | (4,43,65,500) |
| c) Employee Benefits | | | |
| Director Remuneration-G.Yoganand | – | 18,00,000 | – |
| | – | (18,00,000) | – |
| Director Remuneration-G.Vivek | – | 25,57,434 | – |
| | – | (29,91,358) | – |
| d) Finance cost | | | |
| Manjeera Estates Private Limited | – | – | 3,33,65,478 |
| | – | – | (6,37,647) |
| Manjeera Hotels and Resorts Private Limited | – | – | 7,64,66,958 |
| | – | – | (7,74,58,373) |
| Gowra Aerospace Private Limited | – | – | 19,95,072 |
| | – | – | – |

| | | | |
|--|---------------|-------------|-----------------|
| e) Other expenses | | | |
| Manjeera Hotels and Resorts Private Limited | - | - | 11,17,025 |
| | - | - | - |
| ATC Property Maintenance Private Limited | - | - | 9,68,307 |
| | - | - | (18,02,970) |
| f) Short term borrowings | | | |
| Manjeera Estates Private Limited | - | - | 2,46,10,593 |
| | - | - | (28,61,20,000) |
| Manjeera Hotels and Resorts Private Limited | - | - | -6,44,42,171 |
| | - | - | (4,81,18,989) |
| ATC Property Maintenance Private Limited | - | - | 0 |
| | - | - | (31,00,000) |
| Gowra Aerospace Private Limited | - | - | -60,00,000 |
| | - | - | (1,00,00,000) |
| g) Non-current investment | | | |
| GM Infra Ventures Private Limited-Debentures redeemed | 0 | - | - |
| | (1,69,20,000) | - | - |
| GM Infra Ventures Private Limited-Shares buy back | 1,35,00,000 | - | - |
| | (1,71,00,000) | - | - |
| (B) Guarantees given: | | | |
| (i) Personal guarantee given by G.Yoganand, Managing Director in respect of Term Loans availed from Oriental Bank of Commerce and Domestic Purchase bill factoring from IFCI Factor Limited. | | | |
| (ii) Corporate guarantee given by Manjeera Estates Private Limited, Entity under significant influence of KMP, in respect of Term Loans availed from Oriental Bank of Commerce and towards Domestic Purchase bill factoring from IFCI Factor Limited | | | |
| (iii) Corporate guarantee given by Gajjala Investments and Holding Private Limited, Entity under significant influence of KMP, in respect of Domestic Purchase bill factoring from IFCI Factor Limited. | | | |
| (C) Balances for the year ended 31-03-2017 | | | |
| a) Short term borrowings | | | |
| Manjeera Estates Private Limited | - | - | -26,15,09,407 |
| | - | - | (-28,61,20,000) |
| Manjeera Hotels and Resorts Private Limited | - | - | 0 |
| | - | - | (39,89,34,774) |
| Trinity Capital (Six) Limited (TC6L) | - | - | 36,76,47,000 |
| | - | - | (36,76,47,000) |
| b) Trade payable | | | |
| G.Yoganand | - | -7,67,765 | - |
| | - | (17,36,175) | - |
| Aashraya Hotels and Estates Private Limited | - | - | 77,609 |
| | - | - | (77,609) |
| Manjeera Hotels and Resorts Private Limited | - | - | -46,27,04,844 |
| | - | - | (20,84,360) |
| Gowra Aerospace Private Limited | - | - | -1,00,00,000 |
| | - | - | (40,00,000) |
| ATC Property Maintenance Private Limited | - | - | -59,55,703 |
| | - | - | (-49,87,396) |
| c) Non-current investments | | | |
| Equity Shares-GM Infra Ventures Private Limited | 2,89,22,400 | - | - |
| | (4,24,22,400) | - | - |
| d) Short term loans and advances | | | |
| Manjeera Hotels and Resorts Private Limited | - | - | 26,66,552 |
| | - | - | (16,89,388) |
| G.Vivekanand | - | 0 | - |
| | - | (29,91,358) | - |
| GM Infra Ventures Private Limited | 0 | - | - |
| | (14,58,627) | - | - |
| Manjeera Estates Private Limited | - | - | 3,62,506 |
| | - | - | (16,82,199) |

42. Earnings per equity share

| | Year ended 31.03.2017 | Year ended 31.03.2016 |
|--|-----------------------|-----------------------|
| Profit after Tax (Rs.) | (6,67,86,651) | (1,23,95,113) |
| Number of shares as at 01.04.2016 | 1,25,08,418 | 1,25,08,418 |
| Number of shares as at 31.03.2017 | 1,25,08,418 | 1,25,08,418 |
| Weighted average number of shares (Nos.) | 1,25,08,418 | 1,25,08,418 |
| Earnings per share (Basic and Diluted) (Rs.) | (5.34) | (0.99) |
| Nominal value per share (Rs.) | 10 | 10 |

44. In case of subsidiary:

The company has made losses in the current and previous year and has accumulated losses as at balance sheet date. Further, the Company has delayed in payment of borrowings and statutory dues and certain defaults exist as at balance sheet date. Further as detailed in note 23(a) the Company is in the process of settlement of certain matters with APHB. Notwithstanding the above, the financial statements have been prepared on going concern basis as the management believes that (i) the Company's occupancy would increase in coming years and new leases would be at better rentals as compared to existing leases and (ii) the unsold inventory would be negotiated at higher rates as compared to historical rates.

45. In case of subsidiary:

The company has made onerous contracts with certain owners of units sold in the Mall. Management believes that an amount of ₹17,047,661 will be payable to such owners as per the arrangement, during the next year. Therefore these unavoidable onerous lease payments have been recognised and is included in the rent expenditure for the year.

46. Significant accounting policies, statutory and explanatory information of the Company and its subsidiaries are disclosed in the respective separate financial statements. Policies and information which have material bearing on the true and fair view of the consolidated financial statement have been disclosed in the consolidated financial statement

47. Previous year's figures have been re-grouped/re-classified wherever necessary to correspond with the current year's disclosure.

As per our report of even date

For A.K. Sabat & Co.

Chartered Accountants

(Firm Registration No. 321012E)

For and on behalf of the Board of directors

D. VIJAYA KUMAR

Partner

Membership No.051961

G. YOGANAND

Managing Director

DIN:00850735

K. KRISHNA MURTHY

Director

DIN:01466390

Hyderabad, Dated August 23, 2017

P. PRASAD RAJU

Chief Financial Officer

SUCHARITRA SAHOO

Company Secretary

Annexure - IV

FORM AOC - 1

PART - A: SUBSIDIARIES INFORMATION

in Rs.

| S. No. | Particulars | Details | |
|--------|---|--|---|
| | | Manjeera Retail Holdings Private Limited | MTM Estates And Properties Private Limited. |
| 1 | Name of Subsidiary | | |
| 2 | The date since when subsidiary was acquired | 23-02-2007 | 14-11-2013 |
| 3 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | 2016-2017 | 2016-2017 |
| 4 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA | NA |
| 5 | Share capital | 88,23,52,940 | 1,00,000 |
| 6 | Reserves & Surplus | (8,90,83,492) | (2,06,500) |
| 7 | Total Assets | 577,16,91,452 | 1,29,081 |
| 8 | Total Liabilities | 497,84,22,004 | 2,35,581 |
| 9 | Investments | - | - |
| 10 | Turnover | 169,15,71,711 | - |
| 11 | Profit/(loss) before taxation | (401,50,633) | (49,605) |
| 12 | Provision for taxation | - | - |
| 13 | Loss after taxation | (401,50,633) | (49,605) |
| 14 | Proposed Dividend | Nil | Nil |
| 15 | % of shareholding | 51% | 100% |

PART - B: ASSOCIATES

| S. No. | Name of Associates | GM Infra Ventures Private Limited |
|--------|---|---|
| 1 | Latest Audited Balance Sheet Date | 31-03-2017 |
| 2 | Date on which the Associate or Joint Venture was associated or acquired | |
| 3 | Shares of Associate held by the Company on the year end | 2016-2017 |
| | No. | 10,26,000 |
| | Amount of Investment in Associates/Joint Venture | 10,26,000 |
| | Extent of Holding % | 36% |
| 4 | Description of how there is significant influence | Key persons are director in Associate company |
| 5 | Reason why the associate is not consolidated | NA |
| 6 | Networth attributable to Shareholding as per latest audited Balance Sheet | 5,40,22,140 |
| 7 | Profit for the year | 2,84,62,200 |
| | i. Considered in Consolidation | 1,02,46,392 |
| | ii. Not Considered in Consolidation | 1,82,15,808 |

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]



CIN : L45200AP1987PLC007228
 Name of the company : Manjeera Constructions Limited
 Registered office : #711, Manjeera Trinity Corporate, Beside Manjeera Mall,
 JNTU-Hitech City Road, Kukatpally, Hyderabad - 500072

Name of the member(s): _____
 Registered Address: _____
 E-mail Id: _____
 Folio No./Client Id: _____ DP ID: _____

I/We, being the member (s) of _____ shares of the above named company, hereby appoint

1. Name: _____
 Address: _____
 Email Id: _____
 Signature: _____ or failing him/her.

2. Name: _____
 Address: _____
 Email Id: _____
 Signature: _____ or failing him/her.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the company, to be held on Friday, 29th day of September, 2017 at 9:30 A.M. at Hotel Aditya Park, Ameerpet, Hyderabad - 500038 and at any adjournment thereof in respect of such resolutions as are indicated below:

| S. No | Ordinary Business | For | Against |
|-------|---|-----|---------|
| 1. | To consider and adopt financial statements of the Company. | | |
| 2. | To appoint a Director in place of Mrs. G Padmaja (DIN: 02231720), who retires by rotation and being eligible, offers herself for re-appointment | | |
| 3. | To consider appointment of Statutory Auditors of the Company in place of retiring auditors. | | |
| S. No | Special Business | For | Against |
| 4. | Borrowings Power of the Board | | |
| 5. | Creation of Charge on the assets of the Company | | |

Signed this _____ day of _____ 2017

Signature of shareholder _____ Signature of Proxy holder(s) _____

Affix Re.1
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



Manjeera Constructions Limited
 L45200AP1987PLC007228
 Registered Office: #711, Manjeera Trinity Corporate, JNTU-Hitech City Road, Kukatpally, Hyderabad-500072

ATTENDANCE SLIP

Please complete the attendance slip and hand it over at the entrance of the meeting hall.

Folio No: _____ DP ID*: _____
 No. of shares held: _____ Client ID*: _____

Full Name & Address of Shareholders/Proxy (in block letter):

Address: _____

I hereby record my presence at the 30th Annual General Meeting of the Company to be held on Friday, the 29th day of September, 2017 at 9.30 A.M. at Hotel Aditya Park, Ameerpet, Hyderabad - 500038

Signature of Shareholders/Proxy:

Note: * Applicable for investors holding shares in electronic form.

Please read the instructions printed in the Notice dated 28.08.2017 of the Annual General Meeting of the Company.





MANJEERA
Life Elevated



Manjeera Constructions Ltd.

An ISO 9001:2000 Company

CIN : L45200AP1987PLC007228

#711, Manjeera Trinity Corporate,
Besides Manjeera Mall, JNTU-Hitech City Road,
Kukatpally, Hyderabad - 500072

Ph: +91-40-66479647 / 66479664

Email: manjeera_group@yahoo.com

Website: www.manjeera.com