

K. P. RAO  
K. VISWANATH  
DESMOND J. REBELLO  
H.N. ANIL  
MOHAN R. LAVI  
K.P. SIDDHARTH  
V. NARAYANAN  
S. PRASHANTH  
P. RAVINDRANATH

Phone : 080 - 2558 7385 / 2558 6814  
Fax : 080 - 2559 4661  
E-mail : info@kpao.co.in  
admin@kpao.co.in

## INDEPENDENT AUDITOR'S REPORT

To Members of PATNITOP ROPEWAY AND RESORTS LIMITED

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

### Auditor's Responsibility

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

We conducted our audit of the 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 financial statements are free from material misstatement.



### Branches

Mysore : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-2517971

Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044- 2490 3137 / 4551 1564

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

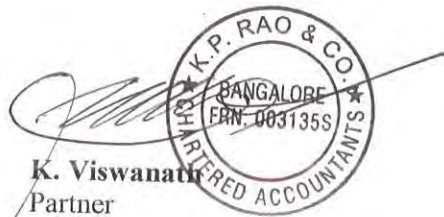
### **Report on Other Legal and Regulatory Requirements**

- A. As required by the Companies (Auditor's Report) Order, 2016, ('the Order'), issued by the Central Government of India in terms of Sub-section 11 of Section 143 of the Act, we give in the "Annexure 1 " a statement on the matters specified in paragraphs 3 and 4 of the said order.
- B. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.
  - e) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.



- f) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's 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 no pending litigations as on the balance sheet date.
  - ii. The Company has no long term contracts, including derivative contracts, for which there were any material foreseeable losses.
  - iii. There were no amounts that were required to be transferred to the Investor Education & Protection Fund by the Company.

**For K.P.Rao & Co.,**  
Chartered Accountants  
Firm's Registration No. 003135S



**K. Viswanath**  
Partner  
Membership No. 022812

Place: Hyderabad  
Date: May 09, 2018

**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
FINANCIAL STATEMENTS OF PATNITOP ROPEWAY AND RESORTS LIMITED**

We report that;

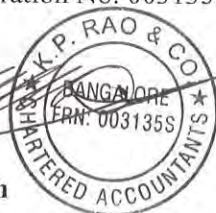
1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
b) The fixed assets have been physically verified by the Management during the course of the year. No discrepancies were noticed on such verification.  
  
c) According to the information and explanations given to us, the company does not possess any immovable property during the year. Accordingly paragraph 3(i) (c) is not applicable.
2. According to the information and explanations given to us, the company does not hold any inventory during the year. Accordingly, paragraph 3(ii) is not applicable.
3. According to the information and explanations given to us, the company has not granted any loans under section 189 of the Companies Act, 2013. Accordingly paragraph 3(iii) (a), (b) and (c) of the Order are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, the Company has not advanced any loan to any director, given any guarantee, provided any security in connection with any loan taken by any director or made investment through more than two layers of investment companies. Accordingly, reporting under clause (iv) of paragraph 3 of the Order is not applicable.
5. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.
6. In our opinion and according to the information and explanations given to us, Section 148(1) (d) prescribed by the Central Government for the maintenance of cost records does not apply to the company.
7. a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues applicable to it with the appropriate authorities.  
  
b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax or Cess, which have not been deposited on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its dues to Banks & Financial Institutions.



9. The Company has not raised any monies, during the reporting period, by way of initial public offer or further public offer. The Company has not raised any monies, by way of term loans during the year.
10. According to the information and explanations given to us, no fraud by, or by its officers or employees on the Company has been noticed or reported during the year.
11. According to the information and explanations given to us and based on our examination of the records of the Company, managerial remuneration has been paid/provided during the year in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act 2013
12. The Company is not a Nidhi Company. Accordingly, reporting under clause (xii) of paragraph 3 of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or convertible debentures during the reporting period. Accordingly, reporting under clause (xiv) of paragraph 3 of the Order is not applicable.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with any directors or persons connected with him. Accordingly, reporting under clause (xv) of paragraph 3 of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For K.P.Rao & Co.,**  
Chartered Accountants  
Firm's Registration No. 003135S

**K. Viswanath**  
Partner  
Membership No. 022812



Place: Hyderabad  
Date: May 09, 2018

**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PATNITOP ROPEWAY AND RESORTS LIMITED**

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

We have audited the internal financial controls over financial reporting of **PATNITOP ROPEWAY AND RESORTS LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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



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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.




**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 K.P.Rao & Co.,**  
Chartered Accountants  
Firm's Registration No. 003135S

  
**K. Viswanath**  
Partner  
Membership No. 022812



Place: Hyderabad  
Date: May 09, 2018

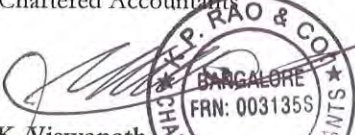


**PATNITOP ROPEWAY & RESORTS LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2018**

(Amount in Thousands)

Description	Note	As At March 31, 2018		As At March 31, 2017	
<b>ASSETS</b>					
<b>1. Non-current assets</b>					
(a) Property, Plant and Equipment					
(i) Tangible assets	3	-	-	0.35	0.35
<b>2. Current assets</b>					
(a) Financial Assets					
(i) Cash and cash equivalents	4	299.64		13,099.64	
(ii) Advances	5	12,800.00		-	
			13,099.64		13,099.64
<b>TOTAL</b>			13,099.64		13,099.99
<b>EQUITY AND LIABILITIES</b>					
<b>1. Equity</b>					
(a) Equity Share capital	6	22,553		22,553.00	
(b) Other Equity	7	(10,552)		(9,599.45)	
			12,000.57		12,953.55
<b>2. Current liabilities</b>					
(a) Other current liabilities	8	1,099.07		146.44	
			1,099.07		146.44
<b>TOTAL</b>			13,099.64		13,099.99
Corporate Information & Significant Accounting Policies See accompanying notes to the financial statements	1 & 2				


As per our review report of even date attached  
for K.P. Rao & Co,  
Chartered Accountants

  
K. Viswanath,  
Partner  
Membership No:022812



for and on behalf of the Board

  
Narayana Raju Alluri  
Director  
DIN: 00026723

  
Y.D. Murthy  
Director  
DIN: 00031837

Place : Hyderabad  
Date : 09.05.2018


**PATNITOP ROPEWAY & RESORTS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018**

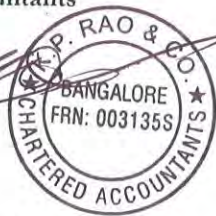
(Amount in Thousands)

Description	Note	Year Ended March 31, 2018		Year Ended March 31, 2017	
<b>REVENUE</b>					
Revenue from operations(including excise duty)		-		-	
Other Income		2.24		4,413.31	
<b>Total Revenue</b>			2.24		4,413.31
<b>EXPENDITURE</b>					
Depreciation and amortization expense	3	0.35		1.57	
Other Expenses	9	17.25		20.25	
<b>Total Expenses</b>			17.60		21.82
<b>Profit/(Loss) Before Tax</b>			(15.36)		4,391.49
Less: Tax Expenses			937.62		-
<b>Profit/(Loss) for the period</b>			<b>(952.98)</b>		<b>4,391.49</b>
<b>Other Comprehensive Income</b>					
Items that will not be reclassified to Profit or Loss			-		-
Remeasurements of the defined benefit plans			-		-
<b>Total Comprehensive Income for the Period</b>			<b>(952.98)</b>		<b>4,391.49</b>
<b>Earnings per Share of face value of Rs.10/- each</b>					
Basic			(0.42)		1.95
Diluted			(0.42)		1.95
<b>Corporate Information &amp; Significant Accounting Policies</b>	1 & 2				
See accompanying notes to the financial statements					


As per our review report of even date attached  
for K.P. Rao & Co,  
Chartered Accountants

for and on behalf of the Board

  
K. Viswanath,  
Partner  
Membership No:022812



  
Narayana Raju Alluri  
Director  
DIN: 00026723

  
Y.D. Murthy  
Director  
DIN: 00031837

Place : Hyderabad  
Date : 09.05.2018

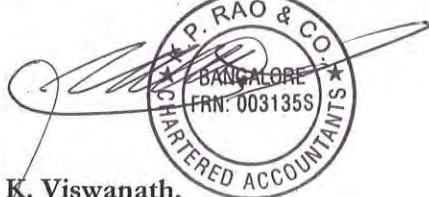
**PATNITOP ROPEWAY & RESORTS LIMITED**  
Cash Flow Statement for the Year Ended March 31, 2018

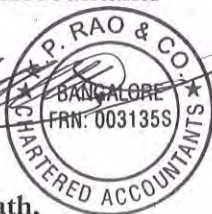
(Amount in Thousands)


Description	Year Ended March 31, 2018	Year ended March 31, 2017
<b>A. Cash Flow from operating activities:</b>		
Net Profit/(Loss) before taxation	(15.36)	4,391.48
<b>Adjustment for</b>		
Depreciation/ Amortisation	0.36	1.57
Prior Period Items	-	-
Provision for Gratuity and Leave Encashment	-	-
Interest and finance Charges	-	-
<b>Operating (Loss)/ Profit before Working Capital Changes</b>	<b>(15.00)</b>	<b>4,393.05</b>
<b>Adjustment for Changes in</b>		
Trade and Other Receivables	-	-
Inventories Written Off	-	-
Trade payables and Other Liabilities	15.00	(216.46)
Cash used in operations	-	4,176.59
Taxes Paid	-	-
<b>Net cash generated in Operating Activities</b>	<b>-</b>	<b>4,176.59</b>
<b>B. Cash Flow from Investing Activities:</b>		
Purchase of fixed assets and other capital expenditure	-	-
Investments in subsidiaries	-	-
Proceeds received from PDA	-	-
Loans to Subsidiaries	-	-
<b>Net cash generated/ (used) in Investing Activities</b>	<b>-</b>	<b>-</b>
<b>C. Cash flow from Financing activities:</b>		
Proceeds from issue of Shares		
Long Term Funds (Repaid)/ borrowed	(12,800.00)	8,883.08
Repayment of short term Borrowings	-	-
Proceeds received from parent company	-	-
Interest Paid	-	-
<b>Net cash (Used)/ Generated in Financing Activities</b>	<b>(12,800.00)</b>	<b>8,883.08</b>
<b>Net change in Cash and Cash Equivalents (A+B+C)</b>	<b>(12,800.00)</b>	<b>13,059.67</b>
Cash and Cash Equivalents as at 1st April 2017 (Opening Balance)	13,099.64	39.97
Cash and Cash Equivalents 31st March 2018 (Closing Balance)	299.64	13,099.64


As per our review report of even date attached  
for K.P. Rao & Co,  
Chartered Accountants

for and on behalf of the Board

  
K. Viswanath,  
Partner  
Membership No:022812



  
Narayana Raju Alluri  
Director  
DIN: 00026723

  
Y.D. Murthy  
Director  
DIN: 00031837

Place : Hyderabad  
Date : 09.05.2018

# PATNITOP ROPEWAY & RESORTS LIMITED

## Notes forming part of Financial Statements

### NOTE 1: CORPORATE INFORMATION

Patnitop Ropeway & Resorts Limited ("the company") is a special purpose vehicle incorporated for execution and setting up of a Passenger Aerial Ropeway (Project) at Patnitop in Udampur District, Jammu and Kashmir on Build Operate and Transfer (BOT) basis. The company has entered into a Concession Agreement with Patnitop Development Authority (an agency established by the Government of Jammu and Kashmir) on 8th August 2007. The company is waiting for applicable statutory and environmental clearances for commencement of construction of the Project. Management is confident of obtaining the requisite clearances and also economic viability of the project.

### NOTE 2: ACCOUNTING POLICIES

#### 2.1. Statement of compliance

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

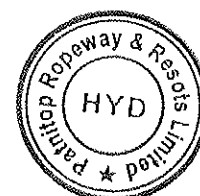
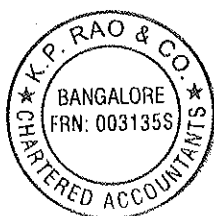
Upto the year ended March 31, 2015, the Company prepared its financial statements in accordance with the requirements of previous generally accepted accounting principles ("Previous GAAP"), which includes Accounting Standards ("AS") notified under the Companies (Accounting Standards) Rules, 2006 and prescribed under Section 133 of the Companies Act, 2013, as applicable and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/ Companies Act, 1956 ("the 1956 Act"), as applicable.

#### 2.2. Basis of Preparation and presentation

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period.

#### 2.3. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.



**PATNITOP ROPEWAY & RESORTS LIMITED**  
**Notes forming part of Financial Statements**

**2.4. Property, Plant and Equipment:**

Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation thereon. Depreciation is provided on the basis of useful lives given in Schedule II of Companies Act, 2013.

**2.5. Financial instruments:**

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

**Cash and cash equivalents**

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

**Financial liabilities**

Financial liabilities are measured at amortised cost using the effective interest method.

**Equity instruments**

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities.

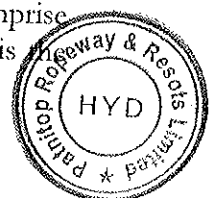
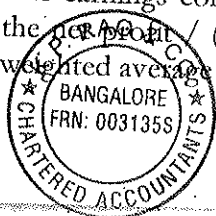
Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost

**2.6. Interest Income:**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**2.7. Earnings Per Share :**

The earnings considered in ascertaining the company's Earnings per share (EPS) comprise the net profit / (loss) after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the period/year.



# PATNITOP ROPEWAY & RESORTS LIMITED

## Notes forming part of Financial Statements

### 2.8. First-time adoption-mandatory exceptions, optional exemptions

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes there to and accounting policies and principles. The accounting policies set out in Note1 have been applied in preparing the financial statements for the year ended March31, 2017 and the comparative information. Exemption on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in note 2.9.

### 2.9. Exemptions availed on first time adoption of Ind AS 101

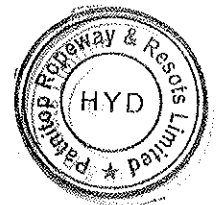
Ind-AS101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under IndAS. The Company has accordingly applied the following exemptions

#### a. Deemed Cost for Property, plant and equipment

The Company has elected to continue with the carrying value of all of its property plant and equipment recognised as of April, 1, 2015 (transition date) measure as per the previous GAAP and use that carrying value as its deemed cost as of the transaction date.

### 2.10.Reconciliations

There is no impact of the transition from previous GAAP to Ind AS which has effected the Company's Balance Sheet and Statement of Profit and Loss



**PATNITOP ROPEWAY & RESORTS LIMITED**

Notes forming part of the Financial Statements as at March 31, 2018

**NOTE: 3 PROPERTY, PLANT AND EQUIPMENT**

(Amount in Thousands)

Description	Office Equipment	Furniture & Fixtures	Total
<b>Cost as at April 1, 2017</b>	107.13	7.00	114.13
Additions	-	-	-
Disposals	-	-	-
<b>Cost as at March 31, 2018</b>	107.13	7.00	114.13
<b>Accumulated depreciation April 1, 2017</b>	107.13	6.65	113.78
Depreciation for the period	-	0.35	0.35
Depreciation on deletions	-	-	-
<b>Accumulated depreciation March 31, 2018</b>	107.13	7.00	114.13
			-
<b>Net Carrying amount as at March 31,2018</b>	-	-	-
Description	Office Equipment	Furniture & Fixtures	Total
<b>Cost as at April 1, 2016</b>	107.13	7.00	114.13
Additions	-	-	-
Disposals	-	-	-
<b>Cost as at March 31, 2017</b>	107.13	7.00	114.13
<b>Accumulated depreciation April 1, 2016</b>	107.13	5.08	112.21
Depreciation for the year	-	1.57	1.57
Depreciation on deletions	-	-	-
<b>Accumulated depreciation March 31, 2017</b>	107.13	6.65	113.78
			-
<b>Net Carrying amount as at March 31,2017</b>	-	<b>0.35</b>	<b>0.35</b>
<b>Net Carrying amount as at March 31,2016</b>	-	<b>1.92</b>	<b>1.92</b>



**PATNITOP ROPEWAY & RESORTS LIMITED**  
Notes forming part of the Financial Statements

(Amount in Thousands)

Notes	Description	As At March 31, 2018		As At March 31, 2017	
4	<b>Cash and Cash equivalents</b> Balances with Scheduled Banks: - in Current Account		299.64		13,099.64
			<b>299.64</b>		<b>13,099.64</b>
5	<b>Advances</b> NCC Limited - Holding Company		12,800.00		-
			<b>12,800.00</b>		-





**STATEMENT OF CHANGES IN EQUITY PATNITOP ROPEWAY & RESORTS LIMITED**

Statement of Changes in Equity for the year ended March 31, 2018

(Amount in Thousands)

**A. Equity Share Capital**

Description	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
No of Shares Authorised	3,000.00	-	3,000.00
No of Shares Issued	2,255.30	-	2,255.30
No of Shares Subscribed and paidup	2,255.30	-	2,255.30
Face Value	10/-	-	10/-
Equity Share Capital	22,553.00	-	22,553.00

**B. Other Equity**

(Amount in Thousands)

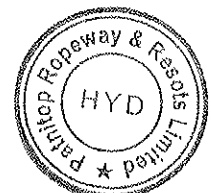
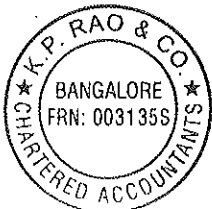
Description	Retained Earnings	Reserves	Total
Opening balance as at April 1, 2017	(9,599.45)	-	(9,599.45)
Changes in accounting policy / prior period errors	-	-	-
Restated balance at the beginning of the reporting period	-	-	-
Total comprehensive income for the period	-	-	-
Dividends	-	-	-
Transfer to retained earnings	(952.98)	-	(952.98)
Any other changes (to be specified)	-	-	-
Balance at the end of the March 31, 2018	(10,552.43)	-	(10,552.43)



**PATNITOP ROPEWAY & RESORTS LIMITED**  
Notes forming part of the Financial Statements

(Amount in Thousands)

Notes	Description	As At March 31, 2018				As At March 31, 2017	
<b>6</b>	<b>Share Capital</b>						
	<b>Authorised</b> 3,000,000 Equity Shares of Rs.10/- each			30,000			30,000
				30,000			30,000
	<b>Issued, Subscribed And Paid Up</b> 22,55,300 Equity Shares of Rs.10/- fully paid			22,553			22,553
	<b>Total</b>			<b>22,553</b>			<b>22,553</b>
<b>6.a</b>	<b>Reconciliation of the number of Shares Outstanding:</b>						
	Description	As At March 31, 2018		As At March 31, 2017			
		Nos	Nos	Nos	Nos		
	At the beginning of the year		2,255.30			2,255.30	
At the end of the year		2,255.30			2,255.30		
<b>6.b</b>	The company has only one class of shares - Equity shares having a par value of Rs. 10/- per each share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board is subject to approval by the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the numbers of equity shares held by the share holder.						
<b>6.c</b>	<b>Shares held by the Holding Company:</b>						
	Description	As At March 31, 2018		As At March 31, 2017			
		Number	Amount	Number	Amount		
	NCC LIMITED - Holding Company	2,255.30	22,553.00	2,255.30	22,553.00		
<b>6.d</b>	<b>Details of shareholders holding more than 5% of shares in the Company:</b>						
	Name of Shareholder	As At March 31, 2018		As At March 31, 2017			
		No. of Shares held	% of Holding	No. of Shares held	% of Holding		
	NCC LIMITED Holding Company	2,255.30	100%	2,255.30	100%		
<b>7</b>	<b>Other Equity</b>						
	(Amount in Thousands)						
	Description	Retained Earnings	Reserves	Total			
	Opening balance as at April 1, 2017	(9,599.45)	-	(9,599.45)			
	Changes in accounting policy / prior period errors	-	-	-			
	Restated balance at the beginning of the reporting period	-	-	-			
	Total comprehensive income for the year	-	-	-			
	Dividends	-	-	-			
Transfer to retained earnings	(952.98)	-	(952.98)				
Any other changes (to be specified)	-	-	-				
Balance at the end of the March 31, 2018	(10,552.43)	-	(10,552.43)				
<b>8</b>	<b>Other Current Liabilities</b>						
	Advance from Others			146.45			129.20
	NCC Limited			937.62			-
	NCC Urban Infrastructure Limited			15.00			17.24
	Other Liabilities						
	<b>Total</b>			<b>1,099.07</b>			<b>146.44</b>

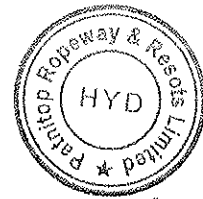


**PATNITOP ROPEWAY & RESORTS LIMITED**

Notes forming part of the Financial Statements

(Amount in Thousands)

Notes No	Description	Year Ended March 31, 2018	Year Ended March 31, 2017
9	<b>Revenue</b>		
	Other Income Interest from PDA	-	4,413.31
		-	4,413.31
10	<b>Other Expenses</b>		
	Auditors Remuneration	15.00	17.18
	Travelling Charges	-	3.08
	Rates & Taxes	2.25	-
		17.25	20.25



**Notes No 10 : Additional information to the Financial Statements**

**10.a** The Company has not received any information from "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the period end together with interest paid / payable as required under the said Act have not been given.

**10.b Earnings per Share**

**(Amount in Thousands)**

S.No	Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
a)	Net Profit/(Loss) available for equity shareholders	(952.98)	4,391.49
		Nos.	Nos.
b)	Weighted Average number of equity shares for Basic EPS	2,255.30	2,255.30
c)	Weighted Average number of equity shares for Diluted EPS	2,255.30	2,255.30
d)	Face value per share	10/-	10/-
e)	Basic EPS	(0.42)	1.95
g)	Diluted EPS	(0.42)	1.95

**10.c Related Party Transactions**

Following is the list of related parties and relationships

Name of the Related Party	Relationship
NCC Limited	Holding Company
NCC Urban Infrastructure limited	Fellow Subsidiary

Related Party transactions during the year ended 31.03.2018 are as follows:

**(Amount in Thousands)**

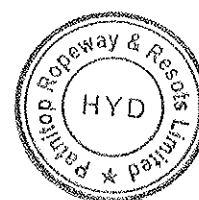
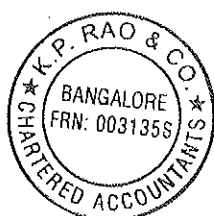
Sl.No	Particulars	Holding Company		Fellow Subsidiary	
		Year Ended 31.03.2018	Year Ended 31.03.2017	Year Ended 31.03.2018	Year Ended 31.03.2017
1	Share Application money received	-	-	-	-
2	Capital Contributions received	-	-	-	-
3	Advances taken	17.25	-	937.62	-

Details of the closing balances

**(Amount in Thousands)**

S.No	Particulars	Holding Company	Fellow Subsidiary
	<b>Debit Balance</b>		
1	Closing balance as on 31.03.2018	12,800.00	
2	Closing balance as on 31.03.2017	-	
	<b>Credit Balance</b>		
1	Closing balance as on 31.03.2018	146.45	937.62
2	Closing balance as on 31.03.2017	129.20	-

**10.d** Figures of previous year have been regrouped/re-arranged wherever necessary to conform to the current year presentation.



10.e Investment Property - Fair Value Disclosures

NOT APPLICABLE

10.f Unrecognised deductible temporary differences, unused tax losses and unused tax credits

	Amount in Thousands	
	As at March 31, 2018	As at March 31, 2017
Deductible temporary differences, unused tax losses and unused tax credits for -Unused Business and Depreciation loss	10,552.43	9,599.45
	<b>10,552.43</b>	<b>9,599.45</b>

10.g Financial instruments

Capital management

The Company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain / enhance credit rating.

The Company determines the amount of capital required on the basis of long-term strategic plans. The funding requirements are met through long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

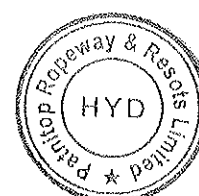
For the purpose of capital management, capital includes issued equity capital and other revenue reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

	Amount in Thousands	
	As at March 31, 2018	As at March 31, 2017
Equity	12,000.57	12,953.55
Long Term Borrowings	-	-
Short Term Borrowings and Payables	-	-
Cash and cash equivalents	(299.64)	(13,099.64)
Net debt	(299.64)	(13,099.64)
Total capital (equity + net debt)	11,700.93	(146.09)

Categories of financial instruments

	Amount in Thousands	
	As at March 31, 2018	As at March 31, 2017
Financial assets		
Measured at amortised cost		
Cash and bank balances	299.64	13,099.64
Loans and Advances	12,800.00	-
Financial liabilities		
Measured at amortised cost	-	-



### Financial risk management objectives

The company's business activities exposed to a variety of financial risk viz., market risk, credit risk and liquidity risk. The company's focus is to estimate a vulnerability of financial risk and to address the issue to minimize the potential adverse effects of its financial performance.

### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. There are no significant exposure to market risk considering the current status of its project and other operations of the Company.

### Interest rate risk

Out of total borrowings, large portion represents short term borrowings from Holding Company. The interest rate applicable is not subjected to fluctuations and interest rate risks.

### Equity risks

The company is exposed only to non-listed equity investments and as a policy matter the company bringing down the equity investment exposure to the various companies. The company continuously in the process of disinvestment of its investments in the companies. As the exposure has come down significantly and does not have any equity investment in the listed entities, the impact of change in equity price on profit or loss is not significant.

### Credit risk management

Credit Risk refers to the risk for a counter party default on its contractual obligation resulting a financial loss to the company. The maximum exposure of the financial assets represents advances given by the Company.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by credit rating agencies.

### Liquidity risk management

The Company manages liquidity risk by maintaining borrowing facilities from its group companies, by continuously monitoring forecast and actual cash flows for the projects undertaken by the Company.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at December 31, 2017:

Amount in Thousands

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	-	-	-	-	-
Borrowings	-	-	-	-	-
Other Financial Liabilities	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

The table below provides details of financial assets as at March 31, 2018:

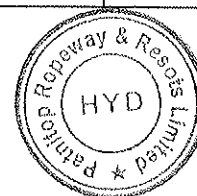
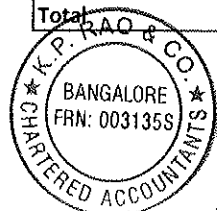
Amount in Thousands

	Carrying amount
Cash and Cash Equivalents	299.64
Loans and Advances	12,800.00
<b>Total</b>	<b>13,099.64</b>

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2017:

Amount in Thousands

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	-	-	-	-	-
Borrowings	-	-	-	-	-
Other Financial Liabilities	-	-	-	-	-
<b>Total</b>	-	-	-	-	-



The table below provides details of financial assets as at March 31, 2018:

Amount in Thousands	
	Carrying amount
Cash and Cash Equivalents	13,099.64
Loans and Advances	-
	-
<b>Total</b>	<b>13,099.64</b>

10.h Fair value measurements

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Amount in Thousands					
	Fair value hierarchy	As at March 31, 2018		As at March 31, 2017	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>					
Financial assets at amortised cost:					
Cash and bank balances	Level 2	299.64	299.64	13,099.64	13,099.64
Loans and Advances - Measured at Cost		-	-	-	-
	Fair value hierarchy	As at March 31, 2018		As at March 31, 2017	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities</b>					
Financial liabilities at cost:		-	-	-	-

The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted

As per our review report of even date attached for K.P. Rao & Co,  
Chartered Accountants

Signatures to the Notes To Accounts 1 to 10h  
For and on behalf of the Board

K. Viswanath,  
Partner  
Membership No:022812



Narayana Raju Alluri  
Director  
DIN: 00026723

Y.D. Murthy  
Director  
DIN: 00031837

Place : Hyderabad  
Date : 09.05.2018