

Sukumar Babu & Co
Chartered Accountants,
Flat. No: 513, Aditya Enclave, Annapurna Block, Ameerpet, Hyderabad-500038

Independent Auditor's Report

To the Members of
KNR Agrotech & Beverages Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **KNR Agrotech & Beverages Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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 hereunder.

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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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, in the case of the state of affairs of the Company as at 31st March, 2016, and its profit/loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements

- a) The company not having any lawsuit filed against the Company.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we enclosed in the annexure a statement on the matters specified in paragraph 3 and 4 of the said Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books.
 - c) The company does not have any branches.
 - d) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - f) There are no Financial Transactions or matters which have any adverse effect on the functioning of the Company.

- g) On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
- h) There are no qualification, reservation or adverse remark on the maintenance of accounts and other matters connected therewith.
- i) The Company has adequate internal financial system commensurate with the size of the Company and nature of business and are effective.
- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii) The Company not issued dividend from inspection of the company, hence transfer of funds not arising.

Place: Hyderabad
Date: 18-05-2016



for **SUKUMAR BABU & CO.,**
Chartered Accountants
Firm Regn. No: 004188S

A handwritten signature in black ink, appearing to read "C. Sukumar Babu".

C. SUKUMAR BABU
Partner

Membership No: 024293

Annexures to the Independent Auditor's Report of KNR Agrotech & Beverages Private Limited for the Year ended as on 31st March 2016.

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date:-


- i.
 - a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b) The Fixed Assets have been physically verified by the management at regular intervals and no material discrepancies were noticed on such verification.
 - c) The title deeds of immovable properties are held in the name of the company.
- ii. As the company did not procure any inventory and as such there is no inventory in hand at any point of time, hence paragraph 3(ii) of the Order is not applicable to the company.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liabilities partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, reporting under clause (a) to (c) of Para 3(iii) are not applicable.
- iv. The Company has not entered into any transaction in respect of loans, investments, guarantee and securities, which attracts compliance to the provisions of the sections 185 and 186 of the Companies Act, 2013. Therefore the paragraph 3(iv) of the Order is not applicable to the company.
- v. The Company has not accepted deposits in terms of the provisions of section 73 to 76 of the Companies Act, 2013 and rules framed there under. Therefore the paragraph 3(v) of the Order is not applicable to the company.
- vi. Maintenance of cost records u/s 148(1) of the Companies Act, 2013 not applicable to the Company.
- vii. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company does not have any tax liability. Therefore the paragraph 3(vii) of the Order is not applicable to the company.
- viii. The company has not taken any loan or borrowings from any financial institution or Government. The company has not issued debentures. Therefore the paragraph 3(viii) of the Order is not applicable to the company.

- ix. Money raised by way of term loan were applied for the purpose for which it was raised. The Company has not raised money by way of initial public offer or further public offer.
- x. According to the information and explanation given to us by the management which have been relied by us, there were no frauds on or by the company noticed or reported during the period under audit.
- xi. The company has not paid any managerial remuneration. Therefore the provisions of section 197 read with Schedule V of the Companies Act 2013 are not applicable.
- xii. The company is not a Nidhi Company, therefore para 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information provided to use, the transaction entered with the related parties are in compliance with section 177 and 188 of the Act and are disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to the information provided to us, the company had not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information provided to us, the company has not entered into any non-cash transaction with directors or the persons connected with him covered under section 192 of the Companies Act 2013. Therefore, paragraph 3(xv) of the Order is not applicable to the company.
- xvi. According to the information provided to us, the company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934. Therefore, paragraph 3(xvi) of the Order is not applicable to the company.

Place: Hyderabad
Date: 18-05-2016

for **SUKUMAR BABU & CO.,**
Chartered Accountants.
(Firm Regn. No.004188S)




C. SUKUMAR BABU
Partner
Membership No: 024293

KNR AGROTECH & BEVERAGES PRIVATE LIMITED

BALANCE SHEET AS AT 31st MARCH, 2016

(Amount in Rs.)

PARTICULARS	NOTE NO.	As At 31-03-2016		As At 31-03-2015	
I EQUITY AND LIABILITIES					
1) SHAREHOLDERS' FUNDS					
Share Capital	3	100,000		100,000	
Reserves & Surplus	4	(3,347,989)	(3,247,989)	(3,630,062)	(3,530,062)
2) SHARE APPLICATION MONEY					
-					
3) NON - CURRENT LIABILITIES					
Long Term Borrowings	5		44,438,958		42,944,689
4) CURRENT LIABILITIES					
Other Current Liabilities	6		35,000		26,200
TOTAL			41,225,969		39,440,827
II ASSETS					
1) NON-CURRENT ASSETS					
Fixed Assets					
i) Tangible Assets	7	25,799,363		26,367,443	
ii) Capital work-in-progress		11,686,133	37,485,496	12,040,258	38,407,701
2) CURRENT ASSETS					
a) Trade Receivables	8	1,350,000		700,000	
b) Cash and Cash Equivalents	9	2,389,273		331,926	
c) Other Current Assets	10	1,200	3,740,473	1,200	1,033,126
TOTAL			41,225,969		39,440,827
Significant Accounting Policies	1 & 2				

As per our report of even date attached

For Sukumar Babu & Co.,

Chartered Accountants

(Firm Regn. No. 004188S)



C. Sukumar Babu
Partner

Membership No: 024293

Place : Hyderabad

Date : 18-05-2016



For and on behalf of the Board of Directors



K. Jalandhar Reddy
Director



M. Rajesh Reddy
Director

KNR AGROTECH & BEVERAGES PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2016

(Amount in Rs.)

PARTICULARS		NOTE NO.	Year ended 31-03-2016	Year ended 31-03-2015
I	Net Revenue from Operations	11	2,711,450	1,368,233
II	Other income		-	-
III	Total Revenue (I + II)		2,711,450	1,368,233
IV	Expenses:			
	Cost of materials consumed	12	415,171	1,030,249
	Employee benefits expense	13	118,100	816,313
	Finance Costs	14	4,103	625
	Depreciation and amortization expense	15	1,167,705	1,759,399
	Other expenses	16	724,298	1,391,709
	Total expenses		2,429,377	4,998,295
V	Profit before exceptional and extraordinary items and tax (III - IV)		282,073	(3,630,062)
VI	Exceptional items		-	-
VII	Profit before extraordinary items and tax (V - VI)		282,073	(3,630,062)
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII- VIII)		282,073	(3,630,062)
X	Tax expense:			
	1) Current tax		-	-
	2) Deferred tax		-	-
XI	Profit (Loss) for the period from continuing operations (IX - X)		282,073	(3,630,062)
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		282,073	(3,630,062)
XVI	Earnings per equity share:			
	1) Basic		28.21	(363.01)
	2) Diluted		28.21	(363.01)

Significant Accounting Policies

1 & 2

Notes referred to above form an intergral part of the accounts

As per our report of even date attached

For Sukumar Babu & Co.,

Chartered Accountants

(ICAI Registration No. 004188S)

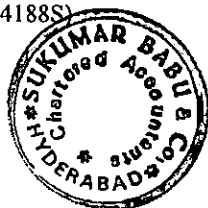
C. Sukumar Babu

Partner

Membership No: 024293

Place : Hyderabad

Date : 18-05-2016



For and on behalf of the Board

K. Jalandhar Reddy

K. Jalandhar Reddy
Director

M. Rajesh Reddy

M. Rajesh Reddy
Director

KNR AGROTECH & BEVERAGES PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

(Amount in Rs.)

PARTICULARS	For the Year ended 31-03-2016	For the Year ended 31-03-2015
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	282,073	(3,630,062)
Adjustments for		
Depreciation & Amortization Expenses	1,167,705	1,759,399
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,449,778	(1,870,663)
Increase/(Decrease) in Other Current Liabilities	8,800	(17,212)
(Increase)/Decrease in Trade Receivables	(650,000)	(700,000)
(Increase)/Decrease in Other Current Assets	-	45,678
CASH GENERATED FROM OPERATIONS	808,578	(2,542,197)
Taxes paid	-	-
NET CASH USED IN OPERATING ACTIVITIES	808,578	(2,542,197)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(245,500)	(553,000)
NET CASH USED IN INVESTING ACTIVITIES	(245,500)	(553,000)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	1,494,269	3,397,502
NET CASH FROM FINANCING ACTIVITIES	1,494,269	3,397,502
	2,057,347	302,305
Cash and Cash Equivalents as at the beginning of the year	331,926	29,621
Cash and Cash Equivalents as at the end of the year (refer note 9)	2,389,273	331,926


Notes:

- 1 The Cash flow statement is prepared in accordance with the Indirect Method stated in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities.
- 2 Previous year's figures have been regrouped, wherever necessary.
- 3 Figures in brackets represent cash outflows.

The Schedules referred above form an integral part of the Balance Sheet.

For Sukumar Babu & Co.,
Chartered Accountants
(Firm Regn. No. 004188S)

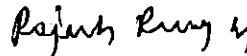
For and on behalf of the Board


C. Sukumar Babu
Partner
Membership No: 024293





K. Jalandhar Reddy
Director



M. Rajesh Reddy
Director

Place: Hyderabad
Date : 18-05-2016

KNR AGROTECH & BEVERAGES PVT.LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

1 Basis of Accounting and preparation of financial statements:

- 1.1 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 notified under the Companies (Accounting Standards) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year unless otherwise stated separately herein below.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Fixed Assets and Depreciation:

Fixed Assets are stated at cost of acquisition, or construction including any attributable cost of bringing the assets to its working condition for its intended use less accumulated depreciation.

2.2 Impairment of Assets:

The carrying amount of assets other than inventories is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated. The recoverable amount is the greater of the asset's net selling price and value in use which is determined based on the estimated future cash flow discounted to their present values. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount.

2.3 Capital Work in Progress:

The expenditure on agricultural operations as on 31-03-14 is amortized over a period of 35 years of mango trees life. The life is estimated by management.

KNR AGROTECH & BEVERAGES PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

3. SHARE CAPITAL

(Amount in Rs.)

Particulars	As at	
	March 31, 2016	March 31, 2015
EQUITY SHARE CAPITAL		
Authorised Share capital		
10,000 Equity Shares of Rs. 10/- each	100,000	100,000
Issued, subscribed & fully paid share capital		
10,000 Equity Shares of Rs. 10/- each (Wholly owned subsidiary of KNR Constructions Ltd.,)	100,000	100,000
	100,000	100,000

3.1 The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- . Each holder of equity

3.2 The details of shareholder holding more than 5% shares as at March 31, 2016 and March 31, 2015 is set out below:

Name of the shareholder	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	% held	No. of Shares	% held
KNR Constructions Ltd.,	10000	100%	10000	100%

3.3 The reconciliation of the number of shares outstanding at the beginning and at the end of the year is set out below:

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	Amount in Rupees	No. of Shares	Amount in Rupees
Number of Equity Shares at the beginning	10000	100,000	10000	100,000
Add:- Number of Shares Issued	-	-	-	-
Less: Number of Shares Brought Back	-	-	-	-
Number of Equity Shares at the end of the year	10000	100,000	10000	100,000

4. RESERVES AND SURPLUS

(Amount in Rs.)

Particulars	As at	
	March 31, 2016	March 31, 2015
SURPLUS IN STATEMENT OF PROFIT AND LOSS		
Opening balance	(3,630,062)	-
Add: Profit/(Loss) for the current year	282,073	(3,630,062)
	(3,347,989)	(3,630,062)

5. LONG TERM BORROWINGS

(Amount in Rs.)

Particulars	As at	
	March 31, 2016	March 31, 2015
UNSECURED		
LOANS AND ADVANCE FROM RELATED PARTIES (refer note no: 19)		
From Directors	253,000	253,000
From Holding Company	44,185,958	42,691,689
	44,438,958	42,944,689

4.1 Unsecured loan taken from Directors and Holding Company, payable on the availability of cash surplus.

4.2 The above loan is interest free unsecured loan.

6. OTHER CURRENT LIABILITIES

(Amount in Rs.)

Particulars	As at	
	March 31, 2016	March 31, 2015
Audit Fee Payable	25,000	25,000
Outstanding Expenses	10,000	1,200
	35,000	26,200

KNR AGROTECH & BEVERAGES PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

7 FIXED ASSETS

(Amount in Rs.)

Particulars	Gross Block			Accumulated Depreciation / Amortisation				Net Block		
	As at April 1, 2015	Additions	Deductions/Adjustment	As at March 31, 2016	As at April 1, 2015	For the Period	Deductions/Adjustment	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
I Tangible Assets										
Lands	23,650,578	-	-	23,650,578	-		-	-	23,650,578	23,650,578
Buildings	1,261,831	-	-	1,261,831	242,842	49,656	-	292,498	969,333	1,018,989
Plant and Equipment	2,603,896	245,500	-	2,849,396	1,687,616	433,423	-	2,121,039	728,357	916,280
Electrical Machinery	1,632,345	-	-	1,632,345	1,306,625	165,751	-	1,472,376	159,969	325,720
Tractors & Harvesting Combines	1,150,688	-	-	1,150,688	745,771	147,773	-	893,544	257,144	404,917
Vehicles	262,906	-	-	262,906	211,947	16,977	-	228,924	33,982	50,959
Sub-total	30,562,244	245,500	-	30,807,744	4,194,801	813,580	-	5,008,381	25,799,363	26,367,443
II Capital Work In Progress										
	12,040,258					354,125			11,686,133	12,040,258
Sub-total	12,040,258	-	-	-	-	354,125	-	-	11,686,133	12,040,258
TOTAL	42,602,502	245,500	-	30,807,744	4,194,801	1,167,705	-	5,008,381	37,485,496	38,407,701
As at 31st March, 2015	28,941,539	1,620,705	-	30,562,244	2,789,527	1,405,274	-	4,194,801	38,407,701	

KNR AGROTECH & BEVERAGES PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

8. TRADE RECEIVABLES

(Amount in Rs.)

Particulars	As at	
	March 31, 2016	March 31, 2015
UNSECURED, CONSIDERED GOOD		
Outstanding for more than six month from the due date	-	-
Other Debts	1,350,000	700,000
	<u>1,350,000</u>	<u>700,000</u>

9. CASH AND CASH EQUIVALENTS

(Amount in Rs.)

Particulars	As at	
	March 31, 2016	March 31, 2015
Balance with Banks		
In Current accounts	2,139,273	331,926
Cash on hand	250,000	-
	<u>2,389,273</u>	<u>331,926</u>

10. OTHER CURRENT ASSETS

(Amount in Rs.)

Particulars	As at	
	March 31, 2016	March 31, 2015
Electricity Deposit	1,200	1,200
Miscellaneous Expenses (Asset)		
Preliminary Expenses	-	9,270
Pre-Operative Expenses	-	36,408
Less: Written off during the period / year	-	(45,678)
	<u>1,200</u>	<u>1,200</u>

KNR AGROTECH & BEVERAGES PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

11. REVENUE FROM OPERATIONS

(Amount in Rs.)

PARTICULARS	Year	Year
	ended	ended
	31-03-2016	31-03-2015
Agriculture income	2,711,450	1,368,233
TOTAL	2,711,450	1,368,233

12. COST OF MATERIALS CONSUMED

(Amount in Rs.)

PARTICULARS	Year	Year
	ended	ended
	31-03-2016	31-03-2015
Fertilizers	305,600	480,830
Pestisides	55,820	92,230
Seeds	1,125	202,490
Compost	-	4,500
Metal	-	18,900
Spares & Consumables	52,626	231,299
TOTAL	415,171	1,030,249

13. EMPLOYEE BENEFITS EXPENSE

(Amount in Rs.)

PARTICULARS	Year	Year
	ended	ended
	31-03-2016	31-03-2015
Salaries, Wages and Other Benefits	113,000	810,663
Staff welfare Expenses	5,100	5,650
TOTAL	118,100	816,313

14. FINANCE COSTS

(Amount in Rs.)

PARTICULARS	Year	Year
	ended	ended
	31-03-2016	31-03-2015
Bank Charges	4,103	625
TOTAL	4,103	625

KNR AGROTECH & BEVERAGES PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2016

15 DEPRECIATION AND AMORTIZATION EXPENSE

(Amount in Rs.)

PARTICULARS	Year ended 31-03-2016	Year ended 31-03-2015
Depreciation	813,580	1,405,274
Amortization Expense (Capital Work-in-Progress Written off)	354,125	354,125
TOTAL	1,167,705	1,759,399

16 OTHER EXPENSES

(Amount in Rs.)

PARTICULARS	Year ended 31-03-2016	Year ended 31-03-2015
Work Expenses		
Labour Charges	193,900	458,349
Transportation, Loading & Unloading Charges	7,070	9,904
Power Charges	151,016	150,035
Repairs & Maintenance	54,364	50,023
Petrol & Diesel - Plant & Machinery	56,460	146,517
Borewell Expenses	160,839	350,000
Hire Charges	-	40,110
Watch & Ward	800	-
Electrical Work	5,985	-
Testing Expenses	3,200	-
Sub-total	633,634	1,204,938
General & Administration Expenses		
Travelling & Conveyance	15,298	23,454
Postage, Courier & Telephone	5,362	5,880
Insurance Charges	27,635	40,158
Legal & Professional Charges	10,000	9,000
Office Maintenance	-	3,000
Rates & Taxes	860	760
Audit Fee	25,000	25,000
Donation	3,200	2,500
Preliminary & Pre-operative Expenses	-	45,678
Miscellaneous Expenses	3,309	31,341
Sub-total	90,664	186,771
TOTAL	724,298	1,391,709

KNR AGROTECH & BEVERAGES PVT.LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

17. Segmental Reporting – Not Applicable.

18. Auditor's remuneration (including service tax) charged to the accounts:

Particulars	2015-16 (Amt. in Rs.)
Audit fees	25,000

19. As per Accounting Standard 18, "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the Related Parties as defined in the Accounting Standard are as follows:

A . Following is the list of related parties and relationships:

Sl. No.	Particulars	Sl. No.	Particulars
A	Holding Company	B	Key Management Personnel
	KNR Constructions Ltd.,		Sri. K. Jalandhar Reddy, Director
			Sri. M. Rajesh Reddy, Director
C	Relatives of Key Management Personnel	D	ENTERPRISES OWNED OR SIGNIFICANTLY INFLUENCED BY KEY MANAGEMENT PERSONNEL OR THEIR RELATIVES
	Nil		Vishnu Publicity Solutions Pvt. Ltd.,
			Trapezoid Software Solutions Pvt. Ltd.,
			Siriadhvaitha Agrotech Pvt. Ltd.,
			Tagline Traders Pvt. Ltd.,
			Siriadhvaitha Agro Solutions Pvt. Ltd.,
			Smitha Agro Developers Pvt. Ltd.,

KNR AGROTECH & BEVERAGES PVT.LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

B. Related party transactions during the year ended 31st March 2016 are as follows:
 (Previous year's figures are given in brackets below the current year figures)

(Amount in Rs.)

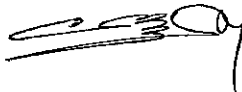
SL. NO.	PARTICULARS	HOLDING COMPANY	KEY MANAGEMENT PERSONNEL	ENTERPRISES OWNED OR SIGNIFICANTLY INFLUENCED BY KEY MANAGEMENT PERSONNEL OR THEIR RELATIVES
1.	Un-secured loan/ advance received	14,94,269 (34,98,592)	- (2,53,000)	- (-)
2.	Un-secured loan / advance repaid	- (1,57,020)	- (97,070)	- (-)
3.	Credit balances outstanding as on 31 st March,2016	4,41,85,958 (4,26,91,689)	2,53,000 (2,53,000)	- (-)

20. Debit and credit balances of parties are subject to confirmation by the respective parties.

21. Previous year's figures have been regrouped/reclassified wherever necessary.

.As per our report of even date
For Sukumar Babu & Co.,
 Chartered Accountants
 (Firm Regn. No.004188S)

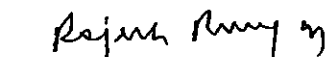
For and on behalf of the Board of Directors



C. Sukumar Babu
 Partner
 Membership No: 024293
 Place: Hyderabad
 Date : 18 -05-2016




K. Jalandhar Reddy
 Director


M. Rajesh Reddy
 Director