METROPOLITAN VENTURES INDIA LIMITED

9TH ANNUAL REPORT

2015-2016

METROPOLITAN VENTURES INDIA LIMITED

BOARD OF DIRECTORS:

DEVENDRA SURANA	-	DIRECTOR
MANISH SURANA	-	DIRECTOR
N. KRUPAKAR REDDY	-	DIRECTOR

REGISTERED OFFICE:

BLOCK "A", 3RD FLOOR, SURYA TOWERS,
SARDAR PATEL ROAD,
SECUNDERABAD – 500 003

AUDITORS:

M/S. SEKHAR & CO.
CHARTERED ACCOUNTANTS
133/4, R P ROAD,
SECUNDERABAD - 500 003

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 9th Annual General Meeting of the Members of **METROPOLITAN VENTURES INDIA LIMITED** will be held on Saturday the 04th June, 2016 at 12.00 Noon at the Registered Office of the Company at Block-A, 3rd Floor, Surya Towers, S P Road, Secunderabad-500003 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss for the year ended 31st March, 2016 along with Auditors' Report & Directors' Report thereon.

2. To appoint a Director in place of Shri Manish Surana, who retires by rotation and being eligible, offers himself for re-appointment.

3. To ratify the Appointment of Statutory Auditors:

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

   "RESOLVED THAT pursuant to the provisions of Section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the appointment of M/s. Sekhar& Co., Chartered Accountants, (Registration No. 003695S), as Statutory Auditors of the Company for a term of five years i.e., till the conclusion of the 13th Annual General Meeting to be held in the year 2020, which was subject to ratification at every Annual General Meeting, be and is hereby ratified to hold the office from the conclusion of this 9th Annual General Meeting till the conclusion of 10th Annual General Meeting of the Company to be held in the year 2017.

   FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to fix the Remuneration of the Auditors".

By Order of the Board
For **METROPOLITAN VENTURES INDIA LIMITED**

DEVENDRA SURANA
DIRECTOR

Place: Secunderabad
Date: 12.05.2016

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies, to attend and vote instead of himself/ herself and the proxy need not be a member of the Company. Proxies in order to be effective must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.

2. The Explanatory Statement under Section 102 of the Companies Act, 2013 is annexed herewith and forms part of the notice.

DIRECTORS REPORT

To
The Members

Your Directors have pleasure in presenting the 9th Annual Report together with the Audited Accounts of the Company for the Year ended 31st March, 2016 and the Auditor's Report thereon.

FINANCIAL RESULTS:

Your company financial results for the year 2015-16 are given below in summarized format:

(In Rs.)

Particulars	2015-16	2014-15
INCOME	-	-
EXPENDITURE	16,780	13,716
Profit before Taxation	**(16,780)**	**(13,716)**
Provision for taxation Current year	-	-
Profit after taxation	**(16,780)**	**(13,716)**
Balance B/F from Previous Year	**2,406,047**	**2,419,763**
Balance C/F to Balance Sheet	**2,389,267**	**2,406,047**
EPS-BASIC & DILUTED	**(0)**	**(0)**

DIVIDEND:

Your directors do not recommend any dividend on equity shares for the financial year ended March 31, 2016.

OPERATIONAL BUSINESS:

The Company's land situated at Cherlaguda Village, Shamshabad Mandal, Ranga Reddy District admeasuring Acres 14.31 Gts is covered under G.O. Ms No. 111 of M.A. 1996. The Company is waiting for receipt of necessary approvals to carry development activities on the said land.

SUBSIDIARY/ JV/ ASSOCIATE COMPANY:

The Company does not have any Subsidiary, Joint venture or Associate Company.

RESERVES:

During the year under review, no Amount is allocated or transferred to Reserves.

FIXED DEPOSITS:

The Company has not accepted any public deposits during the financial year 2015-2016.

DIRECTORS:

Shri Manish Surana, Director of the Company retires at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The details of loans, guarantees and investments under section 186 of the Companies Act, 2013, if any, are given in the notes to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. The disclosure on related party transactions are made in the Financial Statements of the Company. There are no materially significant related party transactions made by the company with promoters, Key managerial personnel or other designated persons which may have potential conflict with interest of company at large.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no significant material changes and commitments occurred between the end of the financial year of the company to which the financial statements relate and the date of the report, affecting the financial position of the company.

BOARD MEETINGS:

During the year 5 (Five) Board Meetings were duly convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that:

a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) The directors had 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 had 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 had prepared the annual accounts on a going concern basis; and

e) The directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS:

The shareholders of the Company at the 8th Annual General Meeting held on 15th September, 2015 approved the appointment of M/s. Sekhar& Co., Chartered Accountants, (Registration No. 003695S), as Statutory Auditors of the Company to hold office till the conclusion of 13th Annual General Meeting subject to ratification of shareholders at every Annual General Meeting.

M/s. Sekhar& Co., Chartered Accountants, (Registration No. 003695S) have confirmed that their appointment, if made, shall be in accordance with the provisions of Section 139 of the Companies Act, 2013.

Accordingly, a resolution seeking Members' ratification on appointment M/s. Sekhar& Co., Chartered Accountants, as the Statutory Auditors of the Company for the financial year ending 31st March, 2017 is included in the Notice convening the Annual General Meeting.

AUDITORS REPORT:

The Auditors' Report to the shareholders does not contain any qualifications. The Secretarial Audit Report is not applicable to the Company.

EXTRACT OF ANNUAL RETURN:

The extract of annual return of the Company for the financial year2015-2016 as provided under sub-section (3) of section 92, in the Form No.MGT.9 is annexed herewith.

CORPORATE SOCIAL RESPONSIBILITY:

The Company does not fall under the criteria specified in Section 135 of the Companies Act, 2013 and hence no policy was developed by the company on corporate social responsibility.

RISK MANAGEMENT:

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION:

Your Company has no employees requiring disclosure pursuant to Section 197 of the Companies Act, 2013 read with Rule, 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo particulars required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

There is an adequate internal control system commensurate with the size of the Company and the nature of business.

ACKNOWLEDGMENTS:

Your Directors place on record their appreciation for the co-operation and assistance received from the bankers, Central and State Government authorities and members during the period under review.

By Order of the Board
For **METROPOLITAN VENTURES INDIA LIMITED**

DEVENDRA SURANA
CHAIRMAN

Place: Secunderabad
Date: 12.05.2016

ANNEXURE TO THE DIRECTORS REPORT

Information under Section 134(3)(c) of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, and forming part of the Directors Report:

1. CONSERVATION OF ENERGY:

Energy conservation measures taken: The Company is very careful in using the power to reduce the cost of maintenance and conserve the resources.

Additional Investments and proposals, if any, being implemented for reduction of consumption of energy: Nil

Impact of the clause (1) and (2) above for reduction of energy consumption and consequent impact on the production of goods : N.A

2. TECHNOLOGY ABSORPTION:

FORM B:
(Disclosure of particulars with respect to technology absorption)

A. RESEARCH AND DEVELOPMENT (R&D)

Specific areas in which R& D carried out by the Company	:	Nil
Benefits derived as a result of the above R& D	:	Nil
Future plan of action	:	Nil
Expenditure on R & D		

B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

The Company is making all efforts for improving productivity, product quality and reducing consumption of scarce raw material and fuels.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans:

Foreign Exchange inflow	:	NIL
Foreign Exchange Outgo	:	NIL

By Order of the Board
For **METROPOLITAN VENTURES INDIA LIMITED**

DEVENDRA SURANA
CHAIRMAN

Place: Secunderabad
Date: 12.05.2016

EXTRACT OF ANNUAL RETURN

Ason the financial year ended 31.03.2016

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

FORM NO. MGT – 9

I. REGISTRATION AND OTHER DETAILS:

CIN	U45200TG2007PLC053036
Registration Date	06th March, 2007
Name of the Company	**METROPOLITAN VENTURES INDIA LIMITED**
Category / Sub-Category of the Company	Company Limited by shares/ Indian Non-Govt.Company
Address of the Registered Office and contact details	Block A, 3rd Floor, Surya Towers, S. P Road, Secunderabad -500003, Telangana.
Whether listed company	No
Name, address and contact details of Registrar and Transfer Agent, if any	NA

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:

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
-	-	-

III.PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATECOMPANIES:

Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Bhagyanagar India Limited	L27201TG1985PLC012449	Holding	100.00	2(87)

IV. SHAREHOLDING PATTERN(Equity Share Capital Breakup as percentage of Total Equity):

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2015)				No. of Shares held at theend of the year (31.03.2016)				%
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	Change during the year
A. PROMOTERS									
(1) Indian									
a) Individual / HUF	-	6	6	0.01		6	6	0.01	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	499994	499994	99.99	-	499994	499994	99.99	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):		**500000**	**500000**	**100.00**	**-**	**500000**	**500000**	**100.00**	-
(2) Foreign	**NIL**								
Sub-Total (A)(2):	**NIL**								

Total Shareholding of Promoters (A) = (A)(1)+(A)(2)		**500000**	**500000**	**100.00**	**-**	**500000**	**500000**	**100.00**	**-**
B. PUBLIC SHAREHOLDING	**NIL**								
Sub-Total B(2) :	**NIL**								
Total B=B(1)+B(2):	**NIL**								
C. SHARES HELD BY CUSTODIANS, AGAINST WHICH	**NIL**								
GRAND TOTAL (A+B+C) :	**-**	**500000**	**500000**	**100.00**	**-**	**500000**	**500000**	**100.00**	**-**

ii) Shareholding of Promoters:

Sl.No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	
1	**G M Surana** S/o. Late GulabchandSurana 21, P & T Colony, Trimulgherry Secunderabad - 09	1	0.00	-	1	0.00	-	0
2	**NarenderSurana** S/o. Shri G M Surana SY-622, PT-02, Arihant Enclave, Akbar Road, Opp. Adrin HSG Complex Secunderabad– 09	1	0.00	-	1	0.00	-	0
3	**DevendraSurana** S/o Shri G M Surana 21, P & T Colony, Trimulgherry Secunderabad - 09.	1	0.00	-	1	0.00	-	0
4	**NamrataSurana** W/o. Shri DevendraSurana 21, P & T Colony, Trimulgherry Secunderabad– 09	1	0.00	-	1	0.00	-	0
5	**SunitaSurana** W/o. Shri NarenderSurana SY-622, PT-02, Arihant Enclave, Akbar Road, Opp. Adrin HSG Complex Secunderabad– 09	1	0.00	-	1	0.00	-	0
6	**Manish Surana** S/0. Shri NarenderSurana	1	0.00	-	1	0.00	-	0

	21, P&T Colony, Tarbund,Secunderabad–003.							
7	**M/s.Bhagyanagar India Limited** 5th Floor, Surya Towers, S.P. Road, Secunderabad–003	499994	99.99	-	499994	99.99	-	0

iii) Change in Promoters' Shareholding (Please specify, if there is no change):

Sl. No	Name of the Promoter	Shareholding at the beginning of the year		Shareholding during the year	
		No. of Shares	% of totalshares of theCompany	No. of Shares	% of totalshares of theCompany
	At the beginning of the year	NIL			
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc):				
	At the end of the year				

iv)Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total sharesof the Company	No. of Shares	% of total sharesof the Company
	For Each of the Top 10 Shareholders	NIL			
	At the beginning of the year				
	Date wise Increase/ Decrease in Promoters 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) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of the Directors	Shareholding at the beginning of the year		Change in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1	DevendraSurana	1	0.00	-	-	1	0.00
2	Manish Surana	1	0.00	-	-	1	0.00
3	N Krupakar Reddy	-	0.00	-	-	-	0.00
	Name of the Key Managerial Personnel	**Shareholding at the beginning of the year**		**Change in Shareholding**		**Cumulative Shareholding during the year**	
		No. of Shares	**% of total shares of the Company**	**Increase**	**Decrease**	**No. of Shares**	**% of total shares of the Company**
		NIL					

V. INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness Rs.
Indebtedness at the beginning of the financial year				
i) Principal Amount		65,339,773		65,339,773
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)		**65,339,773**		**65,339,773**
Change in Indebtedness during the financial year				
Addition	NIL	22,270	NIL	22,270
Reduction		-		-
Net Change		-		-
Indebtedness at the end of the financial year				
i) Principal Amount		65,362,043		65,362,043
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	**NIL**	**65,362,043**	**NIL**	**65,362,043**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	DevendraSurana, Director	Manish Surana, Director	N Krupakar Reddy, Director	Total Amount
1	Gross Salary	-	-	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-	-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-
2	Stock Options	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify….	-	-	-	-
5	Others, please specify i. Deferred bonus (pertaining to the current Financial year payable in 2018) ii. Retirals	-	-	-	-
	Total (A)	-	-	-	-

B. REMUNERATION TO OTHER DIRECTORS:NIL

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

Sl.No.	Particulars of Remuneration	Total Amount
1	Gross Salary	NIL
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	
2	Stock Options	
3	Sweat Equity	
4	Commission - as % of profit - Others, specify….	
5	Others, please specify	
	Total (C)	

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	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

For and on behalf of the Board of Directors
For METROPOLITAN VENTURES INDIA LIMITED

DEVENDRA SURANA
CHAIRMAN

Place: Secunderabad
Date: 12.05.2016

SEKHAR & CO.

CHARTERED ACCOUNTANTS

PARTNERS :
K.C. Devdas, B.Com., F.C.A
C. Amarnath, B.Com, L.L.B., F.C.A., DISA (ICA)
G. Ganesh, B.Com., F.C.A., DISA (ICA)

INDEPENDENT AUDITOR`S REPORT

To,
The Members of
M/s. Metropolitan Ventures India Limited
Secunderabad.

Report on Financial Statements

We have audited the accompanying financial statements of **M/s. Metropolitan Ventures India Limited, Secunderabad ("the Company)** which comprises of 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 includes the 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 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 thereunder.

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Email : sekharandco.ca@gmail.com, devdas.kc@gmail.com, amarnatht18@gmail.com, ca.g.ganesh@gmail.com

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 and fair presentation of the financial statements that gives a true and fair view , in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate Internal financial Control system over financial reporting and the operating effectiveness of such controls.
An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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, 2016, and its loss and its Cash flow statement for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") , as amended , issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the "Annexure – A" a statement on the matters specified in paragraph 3 & 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. in our opinion , proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c. the Balance Sheet, Statement of Profit and Loss, and Cash flow Statement dealt with by this Report are in agreement with the books of account of the Company.

d. 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.

e. on the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2016, 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 B".

g. With respect to the matters to be included in the Auditor`s Report and 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 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. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

For M/s Sekhar & Co.,
Chartered Accountants

C. Amarnath

(CA C AMARNATH)
PARTNER
MNO: 021427
Firm Reg No: 003695S

Date : .05.2016

Place : Secunderabad

SEKHAR & CO.

CHARTERED ACCOUNTANTS

PARTNERS :
K.C. Devdas, B.Com., F.C.A
C. Amarnath, B.Com, L.L.B., F.C.A., DISA (ICA)
G. Ganesh, B.Com., F.C.A., DISA (ICA)

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

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 in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) The title deeds of immovable properties are held in the name of the company.

2) (a) The management has conducted the physical verification of inventory at reasonable intervals.

b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and I86 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

Office : 133/4, Rashtrapathi Road, Secunderabad - 500 003. ☎ : 040-27533391, 27536342, 27543132
Email : sekharandco.ca@gmail.com, devdas.kc@gmail.com, amarnatht18@gmail.com, ca.g.ganesh@gmail.com

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally 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 any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Managerial remuneration has not been paid or provided by the Company and hence not commented upon.

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For M/s Sekhar & Co.,
Chartered Accountants

C. Amarnath

(CA C AMARNATH)
PARTNER
MNO: 021427
Firm Reg No: 003695S

Date : .05.2016

Place : Secunderabad

SEKHAR & CO.

CHARTERED ACCOUNTANTS

PARTNERS :
K.C. Devdas, B.Com., F.C.A
C. Amarnath, B.Com, L.L.B., F.C.A., DISA (ICA)
G. Ganesh, B.Com., F.C.A., DISA (ICA)

"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of M/s. Metropolitan Ventures India 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 **M/s. Metropolitan Ventures India Limited,** ("the Company") as of March 31, 2016 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. 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.

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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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2016.

For M/s Sekhar & Co.,
Chartered Accountants

C. Amarnath

(CA C AMARNATH)
PARTNER
MNO: 021427
Firm Reg No: 003695S

Date : .05.2016

Place : Secunderabad

METROPOLITAN VENTURES INDIA 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**					
	a. Share Capital	B	5,000,000		5,000,000	
	b. Reserves and Surplus	C	2,389,267		2,406,047	
				7,389,267		7,406,047
	2. **NON-CURRENT LIABILITIES**					
	a. Long-Term Borrowings	D		65,362,043		65,339,773
	3. **CURRENT LIABILITIES**					
	a. Other Current Liabilities	E		11,450		11,236
	TOTAL			**72,762,760**		**72,757,056**
II	**ASSETS**					
	1. **NON-CURRENT ASSETS**					
	a. Fixed Assets					
	(1) Tangible Assets	F		72,750,788		72,750,788
	2. **CURRENT ASSETS**					
	a. Cash and Cash Equivalents	G		11,972		6,268
	TOTAL			**72,762,760**		**72, 57,056**
	Significant Accounting Policies and Notes to Accounts	A				

As per our report of even date attached
For Sekhar & Co.,
Chartered Accountants,
Firm Reg No.003695-S

C. Amarnath

C. Amarnath
Partner
M. No. 21427
Firm Reg No.003695-S

SEKHAR & CO. Chartered Accountants SECUNDERABAD

Place: Secunderabad,
Date :12.05.2016

for and on behalf of the Board,

M Surana

Devendra Surana
Director

Manish Surana
Director

METROPOLITAN VENTURES INDIA LIMITED

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in Rs.)

		Note No.	For the Year 31.03.2016	For the Year 31.03.2015
I.	**REVENUE FROM OPERATIONS**		-	-
II.	**OTHER INCOME**		-	-
III.	**TOTAL REVENUE**		-	-
IV.	**EXPENSES** Other Expenses	1	16,780	13,716
	TOTAL EXPENSES		**16,780**	**13,716**
V.	**PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX**		(16,780)	(13,716)
VI.	**PRIOR PERIOD ADJUSTMENT**		-	-
VII.	**PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX**		(16,780)	(13,716)
VIII.	**EXTRAORDINARY ITEMS**		-	-
IX.	**PROFIT BEFORE TAX**		**(16,780)**	**(13,716)**
X.	**TAX EXPENSE** **1. Current tax**		-	-
XI.	**PROFIT AFTER TAX**		**(16,780)**	**(13,716)**
	EPS-BASIC & DILUTED		**(0)**	**(0)**
	Significant Accounting Policies and Notes to Accounts	A		

As per our report of even date attached
For Sekhar & Co.,
Chartered Accountants,
Firm Reg No.003695-S

C. Amarnath
Partner
M. No. 21427

Place: Secunderabad,
Date :12.05.2016

for and on behalf of the Board,

Devendra Surana
Director

Manish Surana
Director

METROPOLITAN VENTURES INDIA LIMITED

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

(Amount in Rs.)

	PARTICULARS	2015-16	2014-15
A	**Cash flow from Operating Activties**		
	Net profit before tax as per annexed Profit and loss account	(16,780)	(13,716)
	Operating profit before working Capital Changes	**(16,780)**	**(13,716)**
	Trade payables and other Current liabilities	214	6,742
	Cash generated from Operations	**214**	**6,742**
	Income Tax paid	-	-
	Net cash (used in)/from Operating Activities(A)	**(16,566)**	**(6,974)**
B	**Cash flow from Investing Activities**		
	Puchase of Fixed Assets	-	-
	Net Cash (used in)/from Investing Activities (B)	-	-
C	**Cash flow from Financing Activities**		
	(Repayment) /Receipt of Long Term Loans	22,270	-
	Net Cash (used in)/from Financing Activities (C)	**22,270**	-
	Net Increase / Decrease in cash and Cash Equivalents (A+B+C)	**5,704**	**(6,974)**
	Cash and Cash Equivalents Opening Balance	6,268	13,242
	Cash and Cash Equivalents Closing Balance	11,972	6,268
	Change in Cash and Cash Equivalents	**5,704**	**(6,974)**

As per our report of even date attached
For Sekhar & Co.,
Chartered Accountants,
Firm Reg No.003695-S

C. Amarnath

C. Amarnath
Partner
M. No. 21427

Place: Secunderabad,
Date :12.05.2016

for and on behalf of the Board,

M Surana

Devendra Surana
Director

Manish Surana
Director

Notes to Balance Sheet

Note : B **Share Capital**	**As at 31.03.2016 Rs.**	**As at 31.03.2015 Rs.**
a **Authorized Capital :10,00,000 equity shares of Rs.10 each**	10,000,000	10,000,000
b **Issued, Subscribed and Paid Up 5,00,000 equity shares of Rs.10 each at par fully paid carrying equal rights and obligations** (Options, contracts and commitments outstanding -Nil)	5,000,000	5,000,000
c **Particulars of Shareholders holding more than 5% of issued share capital** **Name of Shareholder**	**No.of shares**	**No.of shares**
Bhagyanagar India Limited (99.998% of total paid up Capital)	499,994	499,994

Note : C **Reserves and Surplus**	**As at 31.03.2016 Rs.**	**As at 31.03.2015 Rs.**
a **Surplus**		
Balance of Profit & Loss account available for appropriation	2,406,047	2,419,763
Add: Profit during the year/period	(16,780)	(13,716)
Balance at the year end	**2,389,267**	**2,406,047**

Note : D **Long-Term Borrowings**	**As at 31.03.2016 Rs.**	**As at 31.03.2015 Rs.**
a Loan from Holding Company	65,362,043	65,339,773
TOTAL	**65,362,043**	**65,339,773**

The Company became 100% subsidiary of Bhagyanagar India Limited with effect from 15th July, 2013. As per the terms and conditions of the MOU with the holding company M/S Bhagyanagar India Ltd interest accrued till 15.07.2013 is accounted for in books of accounts. Total interest accrued till date is Rs.22,333,288/-. There is no specific period for repayment of principal.

Note: E **Other Current Liabilities**	**As at 31.03.2016 Rs.**	**As at 31.03.2015 Rs.**
a Audit Fees Payable	11,450	11,236
TOTAL	**11,450**	**11,236**

ASSETS

Note: F **Tangible Assets**	**As at 31.03.2016 Rs.**	**As at 31.03.2015 Rs.**
a Free-Hold Assets (a) Land	72,750,788	72,750,788
TOTAL	**72,750,788**	**72,750,788**

Note: G **Cash and Cash Equivalents**	**As at 31.03.2016 Rs.**	**As at 31.03.2015 Rs.**
a Balance with Banks In Current Account	11,972	6,268
TOTAL	**11,972**	**6,268**

Notes to Profit & Loss Account

Note: 1 **Other Expenses**	**For the Period 31.03.2016 Rs.**	**For the Period 31.03.2015 Rs.**
Statutory Audit Fees	11,450	11,236
Filing Fees	3,060	2,480
Rates & Taxes	2,270	-
TOTAL	**16,780**	**13,716**

As per our report of even date attached
For Sekhar & Co.,
Chartered Accountants,
Firm Reg No.003695-S

C. Amarnath
Partner
M. No. 21427

Place: Secunderabad,
Date :12.05.2016

for and on behalf of the Board,

Devendra Surana
Director

Manish Surana
Director

A. Significant Accounting Policies and Notes on Accounts Forming Part of Balance Sheet and Profit & Loss Account

A1. Significant Accounting Policies

I. Basis of Preparation of Financial Statements.

The financial statements are prepared under the Historical cost convention on accrual basis with the Generally Accepted Accounting Principles in India and the provisions of the Companies Act, 2013.

II. Use of Estimates

The Preparation of Financial Statements requires estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

III. Fixed Assets

Fixed Assets are stated at cost net of modvat / cenvat / value added tax, less accumulated depreciation and impairment loss, if any. Any costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations to the fixed assets are capitalized.

IV. Provision, Continent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities which are not recognized are disclosed in notes. Contingent Assets are neither recognized nor disclosed in Statements.

V. Revenue Recognition

Revenue is recognized to the extent that is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

VI. Earnings per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard-20 (AS-20) prescribed under Rule 7 of Accounting Standard Rules, 2014. Basic earnings per share are computed by dividing the net Profit or Loss for the year by the Weighted Average number of equity share outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

VII. Borrowing Cost

Borrowing Cost is Capitalized to the extent expenses is Incurred for acquisition, construction/production of qualifying asset and other activities that are necessary to prepare the asset for intended use are been capitalized in accordance with Accounting Standard-16 (AS-16) prescribed under Rule 7 of Accounting Standard Rules, 2014. Borrowing cost are Ceased to be capitalized when the asset is ready for its Intended use or there is cessation of development for the extended period.

A-2 Notes to Accounts

I. Estimated Contractual liability on account of Capital Commitment & Contingent Liability– NIL.

II. The company has become 100% subsidiary of Bhagyanagar India Limited with effect from 15.07.2013

III. The Company is in infrastructure business. The land for the same has been acquired and pending development on account of approval from appropriate authorities.

IV. **Related party disclosures**

a. Names of Related Parties

i. Holding Company : Bhagyanagar India Limited

ii. Fellow Subsidiaries :

Bhagyanagar Metals Limited
Solar Dynamics Private Limited
Bhagyanagar Properties Private Limited
Scientia Infocom Private Limited

iii. **Key Management Personnel**
Devendra Surana
Manish Surana

b. Related party transactions during the period ended

Particulars	31.03.2016	31.03.2015
	Amount (Rs.)	
Long Term Loan taken from Holding Company	22,270	Nil

SIRIHAR & CO. Chartered Accountants SECUNDERABAD