

**Independent Auditor's Report**

To,  
The Members of  
**GMR BUSINESS & CONSULTING LLP**  
**Report on the Financial Statements :**

We have audited the accompanying financial statements of **GMR BUSINESS & CONSULTING LLP** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, 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 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 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 Companies (Accounts) Rules, 2014. 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. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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 control 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 but not for the purpose of expressing an opinion on whether the Company has in effectiveness of such controls. 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:

- (a) In the case of Balance Sheet, of the state of affairs of LLP as at 31<sup>st</sup> March, 2018.
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended 31<sup>st</sup> March, 2018.
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Place : Hyderabad

Date : 06.06.2018

For **S.Venkatadri & Co.,**  
Chartered Accountants  
Firm's Regn No.004614S



**(K.SRINIVASA RAO)**  
P A R T N E R  
M.No.201470



**Balance Sheet as at March 31, 2018**

(Amount in Rs)

Particulars	Note No.	March 31, 2018		March 31, 2017	
<b>I. CAPITAL AND LIABILITIES</b>					
(1) Capital Fund					
(a) Partner's Capital	2	10,954,089,915		10,954,089,915	
(b) Reserves and Surplus	3	(379,199,905)		(162,928,649)	
			10,574,890,010		10,791,161,266
(2) Non - current Liabilities					
(a) Long term borrowings	4		842,160,000		1,122,880,000
(3) Current Liabilities					
(a) Short term borrowings	5			1,535,418	
(b) Other current liabilities	6	933,738,902		286,049,381	
			933,738,902		287,584,799
<b>TOTAL</b>			<b>12,350,788,912</b>		<b>12,201,626,065</b>
<b>II. ASSETS</b>					
(1) Non - current assets					
(a) Non - current investments	7		12,350,001,759		12,201,068,708
(2) Current Assets					
(a) Cash and cash equivalents	8	716,423		482,842	
(c) Other current assets	9	70,730		74,515	
			787,153		557,357
<b>TOTAL</b>			<b>12,350,788,912</b>		<b>12,201,626,065</b>
Summary of significant accounting policies	1				

The accompanying notes are an integral part of Financial Statements

As Per Our Report of even date attached  
 For S.Venkatadri & Co  
 Chartered Accountants  
 Firm Registration No : 004614S

For and on behalf of GMR Business & Consultancy LLP

K.Srinivasa Rao  
 Partner  
 M.No. 201470

Govindarajulu T  
 Nominee of GMR Enterprises Pvt Ltd  
 DIN : 02734169

Ravi Majeti  
 Nominee of Ideaspac Solution Pvt. Ltd  
 DIN : 07106220

Place : New Delhi  
 Date : 06th June, 2018



**GMR Business & Consultancy LLP**

[Registered as LLP on 28-08-2014 vide LLPIN:AAC-6471 with limited liability].  
3rd Floor, Old. No.248/ New No. 114, Royapettah High Road, Royapettah, Chennai - 600014

**Profit and loss statement for the the year ended March 31, 2018**

(Amount in Rs)

Particulars	Note No.	March 31, 2018		March 31, 2017	
I Revenue from Operations			-		-
Other Income			-		-
<b>Total revenue</b>			-		-
II <b>Expenses</b>					
Other expenses	10		272,124		215,189
Finance costs	11		215,924,618		137,521,598
<b>Total Expenses</b>			216,196,742		137,736,787
III Profit before tax (I-II)			(216,196,742)		(137,736,787)
IV Tax expense:					
(1) Current tax			-		-
(2) Earlier tax		74,514	-		-
V Profit/(Loss) for the period (III-IV)			74,514		-
			(216,271,256)		(137,736,787)
Summay of significant accounting policies	1				

The accompanying notes are an integral part of Financial Statements

As per our report of even date attached

For S.Venkatadri & Co

Chartered Accountants

Firm Registration No : 004614S


For and on behalf of GMR Business & Consultancy LLP



K.Srinivasa Rao  
Partner  
M.No. 201470



Govinarajulu T  
Nominee of GMR Enterprises Pvt. Ltd  
DIN: 02734169



Ravi Majeti  
Nominee of Ideaspace Solutions Pvt. Ltd  
DIN: 07106220

Place : New Delhi

Date : 06th June, 2018



**GMR Business & Consultancy LLP**  
 [Registered as LLP on 28-08-2014 vide LLPIN:AAC-6471 with limited liability].  
 3rd Floor, Old. No.248/ New No. 114, Royapettah High Road, Royapettah, Chennai - 600014  
**Cash Flow Statement for the year ended as on March 31, 2018**

(Amount in Rs)

Particulars	March 31, 2018	March 31, 2017
<b>A.CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items	(216,271,256)	(137,736,787)
Adjustments :		
Interest Income	-	-
Operating Flow Before Working Capital Changes	(216,271,256)	(137,736,787)
Adjustments :		
Increase /(Decrease )in Trade and other payables	647,689,521	240,161,988
Income Taxes refund/(paid) during the year	3,785	-
<b>Net Cash Flow from/(used in) Operating Activities</b>	<b>431,422,050</b>	<b>102,425,201</b>
<b>B.Cash Flow from/(used in) Investing Activities</b>		
Investment Capital	-	(987,910,095)
<b>Net Cash Flow from/(used in) Investing Activities</b>	<b>-</b>	<b>(987,910,095)</b>
<b>C.Cash Flow from/(used in) Financing Activities</b>		
Investments	(148,933,051)	-
Increase in loans	(282,255,418)	885,761,871
<b>Net Cash from/(used in) Financing Activities</b>	<b>(431,188,469)</b>	<b>885,761,871</b>
<b>Net Increase/(decrease) in Cash and Cash Equivalents</b>	<b>233,581</b>	<b>276,977</b>
Cash and Cash Equivalents at the beginning of the year	482,842	205,865
<b>Cash and Cash Equivalents at the end of the year</b>	<b>716,423</b>	<b>482,842</b>

As per our report of even date attached  
 For S.Venkatadri & Co  
 Chartered Accountants  
 Firm Registration No : 004614S

For and on behalf of GMR Business & Consultancy LLP



**K.Srinivasa Rao**  
 Partner  
 M.No. 201470



**Govinarajulu T**  
 Nominee of GMR Enterprises Pvt. Ltd  
 DIN: 02734169



**Ravi Majeti**  
 Nominee of Ideaspaces Solutions Pvt. Ltd  
 DIN: 07106220

Place : New Delhi  
 Date : 06th June, 2018



**GMR Business & Consultancy LLP**

[Registered as LLP on 28-08-2014 vide LLPIN:AAC-6471 with limited liability].

3rd Floor, Old. No.248/ New No. 114, Royapettah High Road, Royapettah, Chennai - 600014

**Note 1: Statement on Significant Accounting Policies and Notes to Accounts****I. Significant Accounting Policies****Accounting Assumptions**

These accounts have been prepared under the historical cost convention on the basis of a going concern, with revenues recognized and expenses accounted on their accrual and amounts determined as payable or receivable during the year, except those with significant uncertainties and in accordance with the applicable Accounting Standards.

**Revenue Recognition**

The LLP recognizes significant items of income and expenditure on accrual basis except in case of those with significant uncertainties

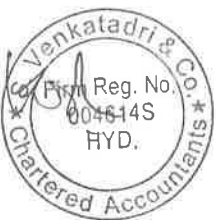
**Investments**

Long term investments are valued at cost. However, provision for diminution in value is made to recognize a decline other than temporary in nature in the value of the Investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to profit and loss. Income from investments is recognized in the year in which it is accrued and stated as gross.

**Taxes on Income**

Current tax is determined based on the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized on timing differences; being the difference between the taxable incomes and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets and liabilities have been computed on the timing differences applying the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Other Accounting policies would be formulated in due course as and when required.



**GMR Business & Consultancy LLP**  
[Registered as LLP on 28-08-2014 vide LLPIN:AAC-6471 with limited liability].

3rd Floor, Old. No.248/ New No. 114, Royapettah High Road, Royapettah, Chennai - 600014

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

**2 Partner's Capital**

(Amount in Rs)

Particulars	March 31, 2018	March 31, 2017
	Amount	Amount
<b>Capital</b>		
At the beginning of the reporting period	10,954,089,915	11,942,000,010
Issued during the reporting period	-	-
Bought back during the reporting period	-	987,910,095
At the close of the reporting period	10,954,089,915	10,954,089,915
<b>Other Information:</b>	<b>Amount</b>	<b>Amount</b>
<b>Capital</b>		
GMR Enterprises Pvt Ltd	10,954,089,905	10,954,089,905
Ideaspace Solutions Pvt Ltd	10	10
	10,954,089,915	10,954,089,915

**3 Reserves and Surplus:**

(Amount in Rs)

Particulars	March 31, 2018	March 31, 2017
At the beginning of the reporting period	(162,928,649)	(25,191,862)
Transferred from/to Profit & Loss Account	(216,271,256)	(137,736,787)
At the close of the reporting period	(379,199,905)	(162,928,649)

**4 Long term Borrowings**

(Amount in Rs)

Particulars	March 31, 2018	March 31, 2017
<b>Secured Loans</b>		
Loan from KKR India Financial Services Pvt. Ltd	842,160,000	1,122,880,000
	842,160,000	1,122,880,000

The Loan is repayable in 4 quarterly installments starting from Jan'2019

**5 Short term Borrowings**

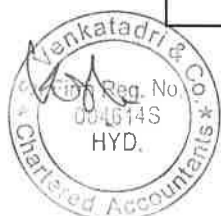
(Amount in Rs)

Particulars	March 31, 2018	March 31, 2017
<b>Unsecured Loans</b>		
Loan from GMR Enterprises Pvt. Ltd	-	1,535,418
	-	1,535,418

**6 Other current liabilities**

(Amount in Rs)

Particulars	March 31, 2018	March 31, 2017
Current maturities of long-term borrowings		
KKR India Financial Services Pvt Ltd	280,720,000	-
GMR Enterprises Pvt Ltd	198,041,893	-
TDS payable	21,421,635	12,556,787
Audit fees payable	31,500	36,750
Sundry Creditors	8,303	7,087
Interest accrued but not due on borrowings	433,515,571	273,448,757
	933,738,902	286,049,381



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

**7 Non Current Investments:**

(Amount in Rs)

Name of the Company	March 31, 2018			March 31, 2017		
	No of Shares	Face Value	Amount	No of Shares	Face Value	Amount
<b>Equity Shares Fully Paidup-Quoted</b>						
GMR Infrastructure Ltd	805,635,166	1	12,201,068,708	805,635,166	1	12,201,068,708
Bharat Road Network Limited	815,000	10	148,933,051			-
<b>Total</b>			<b>12,350,001,759</b>			<b>12,201,068,708</b>

Additional Information:	March 31, 2018	March 31, 2017
Aggregate value of quoted investments:		
Cost	12,350,001,759	12,201,068,708
Market Value	13,732,410,547	12,890,162,656

**8 Cash and cash equivalents:**

(Amount in Rs)

Particulars	March 31, 2018	March 31, 2017
Balances with banks	716,423	482,842
Cash on Hand	-	-
	<b>716,423</b>	<b>482,842</b>

**9 Other Current Assets**

(Amount in Rs)

Particulars	March 31, 2018	March 31, 2017
Advance payment of Income Tax ( Net of Provision)	-	74,515
Rent Deposit	70,730	-
	<b>70,730</b>	<b>74,515</b>





**GMR Business & Consultancy LLP**

[Registered as LLP on 28-08-2014 vide LLPIN:AAC-6471 with limited liability].

**3rd Floor, Old. No.248/ New No. 114, Royapettah High Road, Royapettah, Chennai - 600014****Notes to the financial statements for the year ended March 31, 2018****10 Other expenses:****(Amount in Rs)**

<b>Particulars</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>
Payment to Auditors ( Refer note no.17)	<b>35,000</b>	40,250
Advertisement Charges	-	16,058
Conveyance Charges	-	17,072
Professional Charges	<b>2,013</b>	121,901
Professional Tax	<b>2,000</b>	-
Demat Charges	-	8,519
Other expenses	-	2,606
Rates & Taxes - Others	<b>1,993</b>	8,480
Rates & Taxes - E TDS uploading Fees	<b>163</b>	303
Rates & Taxes - GST	<b>11,394</b>	-
Rent	<b>70,370</b>	-
Security Transaction Tax	<b>149,191</b>	-
	<b>272,124</b>	<b>215,189</b>

**11 Finance Costs:****(Amount in Rs)**

<b>Particulars</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>
Interest expenses	<b>215,171,349</b>	137,431,994
Bank Charges	<b>72</b>	787
Interest on Delayed Payment of Taxes	<b>753,197</b>	88,817
	<b>215,924,618</b>	<b>137,521,598</b>



**GMR Business & Consultancy LLP**

[Registered as LLP on 28-08-2014 vide LLPIN:AAC-6471 with limited liability].

3rd Floor, Old. No.248/ New No. 114, Royapettah High Road, Royapettah, Chennai – 600014

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

12. Contingent Liabilities: Nil (2017:Nil)

13. The LLP operates in a single segment hence there are no reportable segments as per the requirements of Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India.

14. In accordance with the Accounting Standards No 22 issued by the Institute of Chartered Accountants of India and followed by the LLP, deferred tax assets are not recognized since there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available which such deferred tax assets can be realized.

15. Related Party Transactions:

a) Name of Related Parties and description of relationship:

Sl.No	Description of Relationship	Name of the Related Party
(i)	Company that control the LLP	GMR Enterprises Pvt Ltd

b) Transactions with related Parties:

Particulars	Amount in Rs.
<b>Interest Expenses</b>	
GMR Enterprises Pvt. Ltd	<b>1,08,72,163/-</b> (1,18,99,212/-)
<b>Loan Taken from</b>	
GMR Enterprises Pvt Ltd	<b>19,65,06,475/-</b> (15,35,418/-)
<b>Loan Return Back to</b>	
GMR Enterprises Pvt Ltd	<b>Nil</b> (23,86,53,547/-)
<b>Period end balance as on 31.03.2018</b>	
GMR Enterprises Pvt Ltd ( including interest payable)	<b>20,80,02,866/-</b> (16,12,444/-)

Previous figures are mentioned in brackets



**GMR Business & Consultancy LLP**

[Registered as LLP on 28-08-2014 vide LLPIN:AAC-6471 with limited liability].

3rd Floor, Old. No.248/ New No. 114, Royapettah High Road, Royapettah, Chennai – 600014

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

16. The following long term investments included in Note No 7 have been pledged by the LLP towards borrowings of the LLP/Group Companies.

S.No	Name of the Scrip	2017-18		2016-17	
		No. of Shares	Face Value (Rs.)	No. of Shares	Face Value (Rs.)
1	GMR Infrastructure Ltd	40,93,10,000	Rs. 1/- per share	40,93,10,000	Rs. 1/- per share

17. Remuneration to Auditors:

(Amount in Rs)

Particulars	2017-18	2016-17
Audit fees	35,000	35,000
Service Tax	-	5,250
<b>Total</b>	<b>35,000</b>	<b>40,250</b>

18. There are no dues to creditors under Micro Small Medium Enterprises Development (MSMED) Act 2006

19. Foreign Currency Transactions : Nil ( 2017:Nil)

20. The previous year's figures have been regrouped wherever considered necessary.

As Per Our Report of even date attached

For S.Venkatadri &amp; Co

Chartered Accountants

Firm Regn. No. 004614S



K.Srinivasa Rao

Partner

M.No.201470



Govindarajulu T

Nominee of

GMR Enterprises Pvt Ltd

DIN : 02734169



Ravi Majeti

Nominee of

Ideaspace Solutions Pvt Ltd

DIN : 07106220

Place: New Delhi

Date: 06<sup>th</sup> June, 2018

Groupings		(Amount in Rs)	
Particulars	March 31, 2018	March 31, 2017	
<b>Non current Liabilities</b>			
<u><b>Long Term Borrowings</b></u>			
<b>Secured Loans From Financial Institution</b>			
KKR India Financial Services Pvt Ltd	842,160,000	1,122,880,000	
	842,160,000	1,122,880,000	
<b>Current Liabilities</b>			
<u><b>Short Term Borrowings</b></u>			
<b>Unsecured Loans From Group Company</b>			
GMR Enterprises Pvt Ltd	-	1,535,418	
	-	1,535,418	
<u><b>Other Current Liabilities</b></u>			
<b>Current maturities of long term borrowings</b>			
KKR India Financial Services Pvt Ltd	280,720,000	-	
GMR Enterprises Pvt Ltd	198,041,893	-	
TDS Payable on Interest	21,418,135	12,553,286	
TDS Payable on Professional Fees	3,500	3,500	
S Venkatadri & Co	31,500	36,750	
Hariharan Foundations Pvt Ltd	8,303	-	
kotak Securities Ltd	-	7,087	
<b>A</b>	500,223,331	12,600,623	
<b>Interest accrued but not due on borrowings</b>			
GMR Enterprises Pvt Ltd	9,960,973	77,026	
KKR India Financial Service	423,554,598	273,371,731	
<b>B</b>	433,515,571	273,448,757	
<b>Total Current Liabilities (A+B)</b>	933,738,902	286,049,380	
<b>Cash &amp; Bank Balances</b>			
<b>Bank Balances</b>			
Andhra Bank-0392111100003484	54,455	54,526	
ICICI Bank Ltd-000205024641	451,056	43,556	
Lakshmi Vilas Bank Ltd-0161360000002821	210,912	384,760	
	716,423	482,842	
<u><b>Other Current Assets</b></u>			
<b>Advance Tax</b>			
TDS Receivable AY 2015-16	-	4,473,767	
Advance Tax Payment AY 2015-16	-	7,957,835	
<b>Total -A</b>	-	12,431,602	
<u><b>Less :</b></u>			
Provision for Taxation For F Y :2015-16 - <b>Total -B</b>	-	12,357,087	
<b>Total ( A-B)</b>	-	74,515	
<u><b>Other Income</b></u>			
<b>Dividend</b>	-	-	
	-	-	
<b>Rent Deposit</b>			
Hariharan Foundations Pvt Ltd	70,730	-	
<b>Interest Paid</b>			
GMR Enterprises Pvt Ltd	10,872,163	11,899,212	
KKR India Financial Services Pvt Ltd	204,299,186	125,532,782	
<b>Total -A</b>	215,171,349	137,431,994	
<b>Bank Charges - Total -B</b>	72	787.00	
<b>Total-(A+B)</b>	215,171,421	137,432,781	



**GMR Business & Consultancy LLP**

[Registered as LLP on 28-08-2014 vide LLPIN:AAC-6471 with limited liability].

3rd Floor, Old. No.248/ New No. 114, Royapettah High Road, Royapettah, Chennai - 600014

Assessment Year : 2018-19

Status : Limited Liability Partnership

Previous Year ended : March 31,2018

PAN No. : AANFG4585F

Ward/Circle : ITO, Ward 7(2)(2), Bengaluru

**COMPUTATION OF TOTAL INCOME**

Particulars		(Amount in Rs)
<b>A</b>	<b><u>INCOME FROM BUSINESS :</u></b>	
	Profit as per Profit & Loss Account	(216,196,742)
	Add: <u>Items inadmissible / Considered Separately</u>	
	(1) Disallowance U/s 14A - Demat charges	-
	(2) Disallowance U/s 14A - Interest expenses	215,171,349
	(3) Interest of Delay of TDS	753,197
	(4) Securities Transaction Tax	149,191
		216,073,737
		(123,005)
	Less: <u>Items inadmissible / Considered Separately</u>	
	(1) Dividend Income exempt U/s 10(34)	-
		-
	Business Income	(123,005)
	Gross Total Income	(123,005)
	Less : Deduction Under Chapter VI A	-
	Total Income (rounded off)	(123,005)
	Tax on Above @ 30%	-
	Add: Surcharge @ 7%	-
	Add: Cess @ 3%	-
	Tax Payable	-
	Less : Tax deducted at Source	-
	Balance tax payable	-

**COMPUTATION OF INCOME U/S 115 JB**

Profit as per Profit & Loss Account		(216,196,742)
Add: Disallowance U/s 14A - Demat charges	-	
Add: Disallowance U/s 14A - Interest expenses	215,171,349	215,171,349
Book Profit		(216,196,742)
Tax on above @18.5 %	-	
Add: Surcharge @ 10%	-	
Add: Cess @ 3%	-	
		-