

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, 2019, 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 31st March, 2019.
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended 31st March, 2019.
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Place : Hyderabad

Date : 14.08.2019

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, 2019

(Amount in Rs)

Particulars	Note No.	March 31, 2019		March 31, 2018	
I. CAPITAL AND LIABILITIES					
(1) Capital Fund					
(a) Partner's Capital	2	500,000,000		10,954,089,915	
(b) Partner's Current Account	3	10,454,089,915		-	
(c) Reserves and Surplus	4	(641,074,195)		(379,199,905)	
			10,313,015,720		10,574,890,010
(2) Non - current Liabilities					
(a) Long term borrowings	5		1,019,801,325		1,040,201,893
(3) Current Liabilities					
(a) Other current liabilities	6		1,365,182,523		735,697,009
TOTAL			12,697,999,568		12,350,788,912
II. ASSETS					
(1) Non - current assets					
(a) Non - current investments	7		12,696,749,731		12,350,001,759
(2) Current Assets					
(a) Cash and cash equivalents	8	1,179,107		716,423	
(b) Other current assets	9	70,730		70,730	
			1,249,837		787,153
TOTAL			12,697,999,568		12,350,788,912
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 : 0046148

K.Srinivasa Rao
 Partner
 M.No. 201470



For and on behalf of GMR Business & Consultancy LLP

Govindarajulu T
 Nominee of GMR Enterprises Pvt Ltd
 DIN : 02734169

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

Place : New Delhi
 Date : 14th August, 2019



Profit and loss statement for the the year ended March 31, 2019

(Amount in Rs)

Particulars	Note No.	March 31, 2019		March 31, 2018	
I Revenue from Operations	10		407,500		-
Other Income					
Total revenue			407,500		-
II Expenses	11 12				
Other expenses			496,809		272,124
Finance costs			261,784,981		215,924,618
Total Expenses			262,281,790		216,196,742
III Profit before tax (I-II)			(261,874,290)		(216,196,742)
IV Tax expense:					
(1) Current tax		-		-	
(2) Earlier tax		-		74,514	
			-		74,514
V Profit/(Loss) for the period (III-IV)			(261,874,290)		(216,271,256)
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


K.Srinivasa Rao
 Partner
 M.No. 201470



For and on behalf of GMR Business & Consultancy LLP


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


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

Place : New Delhi
Date : 14th August, 2019



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, 2019

(Amount in Rs)

Particulars	March 31, 2019	March 31, 2018
A.CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	(261,874,290)	(216,271,256)
Adjustments :		
Interest Income	-	-
Operating Flow Before Working Capital Changes	(261,874,290)	(216,271,256)
Adjustments :		
Increase /(Decrease)in other current liabilities	629,485,514	647,689,521
Income Taxes refund/(paid) during the year	-	3,785
Net Cash Flow from/(used in) Operating Activities	367,611,224	431,422,050
B.Cash Flow from/(used in) Investing Activities		
Investment Capital	-	-
Net Cash Flow from/(used in) Investing Activities	-	-
C.Cash Flow from/(used in) Financing Activities		
Investments	(346,747,972)	(148,933,051)
Increase in loans	(20,400,568)	(282,255,418)
Net Cash from/(used in) Financing Activities	(367,148,540)	(431,188,469)
Net Increase/(decrease) in Cash and Cash Equivalents	462,684	233,581
Cash and Cash Equivalents at the beginning of the year	716,423	482,842
Cash and Cash Equivalents at the end of the year	1,179,107	716,423

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

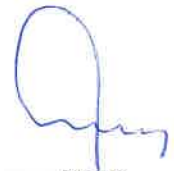
For and on behalf of GMR Business & Consultancy LLP

K.Srinivasa Rao
Partner
M.No. 201470


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Nominee of GMR Enterprises Pvt. Ltd
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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 dimension 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 of 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.



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Notes to the financial statements for the year ended March 31, 2019

2 Partner's Capital

(Amount in Rs)

Particulars	March 31, 2019	March 31, 2018
	Amount	Amount
Capital		
At the beginning of the reporting period	10,954,089,915	10,954,089,915
Issued during the reporting period	-	-
Amount transferred to Partners' current Account	10,454,089,915	-
At the close of the reporting period	500,000,000	10,954,089,915
Other Information:	Amount	Amount
Capital		
GMR Enterprises Pvt Ltd	499,999,990	10,954,089,905
Ideaspace Solutions Pvt Ltd	10	10
	500,000,000	10,954,089,915

3 Partners' Current Account

(Amount in Rs)

Particulars	March 31, 2019	March 31, 2018
	Amount	Amount
At the beginning of the reporting period	-	-
Amount transferred from Partners' Capital Account	10,454,089,915	-
At the close of the reporting period	10,454,089,915	-
Other Information:	Amount	Amount
Partners' Current Account		
GMR Enterprises Pvt Ltd	10,454,089,915	-
Ideaspace Solutions Pvt Ltd	-	-
	10,454,089,915	-

4 Reserves and Surplus:

(Amount in Rs)

Particulars	March 31, 2019	March 31, 2018
At the beginning of the reporting period	(379,199,905)	(162,928,649)
Transferred from/to Profit & Loss Account	(261,874,290)	(216,271,256)
At the close of the reporting period	(641,074,195)	(379,199,905)

5 Long term Borrowings

(Amount in Rs)

Particulars	March 31, 2019	March 31, 2018
Secured Loans		
Loan from KKR India Financial Services Pvt. Ltd	-	842,160,000
Unsecured Loans From Group Companies		
Loans From Group Companies	1,019,801,325	198,041,893
	1,019,801,325	1,040,201,893

6 Other current liabilities

(Amount in Rs)

Particulars	March 31, 2019	March 31, 2018
<u>Current maturities of long-term borrowings</u>		
KKR India Financial Services Pvt Ltd	842,160,000	280,720,000
TDS payable	22,957,207	21,421,635
Audit fee payable	31,500	31,500
Sundry Creditors	8,304	8,303
Interest accrued but not due on borrowings	500,025,512	433,515,571
	1,365,182,523	735,697,009



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Notes to the financial statements for the year ended March 31, 2019

7 Non Current Investments:

(Amount in Rs)

Name of the Company	March 31, 2019			March 31, 2018		
	No of Shares	Face Value	Amount	No of Shares	Face Value	Amount
Equity Shares Fully Paidup-Quoted						
GMR Infrastructure Ltd	805,635,166	1	12,201,068,708	805,635,166	1	12,201,068,708
Bharat Road Network Limited	4,482,872	10	495,681,023	815,000	10	148,933,051
Total			12,696,749,731			12,350,001,759

Additional Information:	March 31, 2019	March 31, 2018
Aggregate value of quoted investments:		
Cost	12,696,749,731	12,350,001,759
Market Value	16,363,328,080	13,732,410,547

8 Cash and cash equivalents:

(Amount in Rs)

Particulars	March 31, 2019	March 31, 2018
Balances with banks	1,179,107	716,423
	1,179,107	716,423

9 Other Current Assets

(Amount in Rs)

Particulars	March 31, 2019	March 31, 2018
Rent Deposit	70,730	70,730
	70,730	70,730



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Notes to the financial statements for the year ended March 31, 2019**10 Other Income:****(Amount in Rs)**

Particulars	March 31, 2019	March 31, 2018
Dividend	407,500	-
Total	407,500	-

11 Other expenses:**(Amount in Rs)**

Particulars	March 31, 2019	March 31, 2018
Payment to Auditors (Refer note no.18)	35,000	35,000
Misc Expenses	5	-
Professional Charges	1,800	2,013
Professional Tax	2,000	2,000
Demat Charges	4,564	-
Rates & Taxes - Others	502	1,993
Rates & Taxes - E TDS uploading Fees	268	163
Rates & Taxes - GST	18,041	11,394
Rent	88,245	70,370
Security Transaction Tax	346,384	149,191
Total	496,809	272,124

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

Particulars	March 31, 2019	March 31, 2018
Interest expenses	260,821,129	215,171,349
Bank Charges	36	72
Interest on Delayed Payment of Taxes	963,816	753,197
Total	261,784,981	215,924,618



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Notes to the financial statements for the year ended March 31, 2019**13.** Contingent Liabilities: Nil (2018:Nil)**14.** 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.**15.** 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.**16. 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
(ii)	Enterprises under common control (Where transactions placed)	Kothavalsa Infraventures Pvt Ltd

b) Transactions with related Parties:

Particulars	Amount in Rs.
Interest Expenses	
GMR Enterprises Pvt. Ltd	4,58,73,151/- (1,08,72,163/-)
Kothavalsa Infraventures Pvt Ltd	4,94,781/- (Nil)
Loan Taken from	
GMR Enterprises Pvt Ltd	47,44,59,432/- (19,65,06,475/-)
Kothavalsa Infraventures Pvt Ltd	34,73,00,000/- (Nil)
Period end balances as on 31.03.2019	
GMR Enterprises Pvt. Ltd (Partners current account)	1045,40,89,915 (Nil)
GMR Enterprises Pvt. Ltd (Loan repayable including accrued interest)	72,68,76,540/- (20,80,02,866/-)
Kothavalsa Infraventures Pvt. Ltd (Loan repayable including accrued interest)	34,77,45,303/- (Nil)

Previous figures are mentioned in brackets



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Notes to the financial statements for the year ended March 31, 2019

17. 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	2018-19		2017-18	
		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

18. Remuneration to Auditors:

(Amount in Rs)

Particulars	2018-19	2017-18
Audit fees (Excluding Tax)	35,000	35,000
Total	35,000	35,000

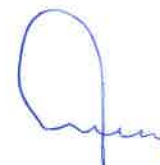
19. There are no dues to creditors under Micro Small Medium Enterprises Development (MSMED) Act 2006

20. Foreign Currency Transactions : Nil (2018:Nil)

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

As Per Our Report of even date attached**For S.Venkatadri & 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 : 14th August, 2019**